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MILITARY CONSTRUCTION APPROPRIATIONS FOR 1995

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PT. 5

Military Construction Appropriation...INGS

BEFORE A

SUBCOMMITTEE OF THE COMMITTEE ON APPROPRIATIONS HOUSE OF REPRESENTATIVES ONE HUNDRED THIRD CONGRESS SECOND SESSION

SUBCOMMITTEE ON MILITARY CONSTRUCTION APPROPRIATIONS

W. G. (BILL) HEFNER, North Carolina, *Chairman*

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Printed for the use of the Committee on Appropriations

JUL 19 1994

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MILITARY CONSTRUCTION APPROPRIATIONS FOR 1995

WEDNESDAY, MARCH 2, 1994.

ARMY, ARMY NATIONAL GUARD, AND THE ARMY RESERVE MILITARY CONSTRUCTION, FAMILY HOUSING, OVERSEAS CONSTRUCTION AND BASE CLOSURE PROGRAMS

WITNESSES

**PAUL JOHNSON, DEPUTY ASSISTANT SECRETARY OF THE ARMY
BRIGADIER GENERAL ROBERT HERNDON, DIRECTOR OF FACILITIES AND
HOUSING FOR THE ARMY**

**BRIGADIER GENERAL WILLIAM BILO, DEPUTY DIRECTOR OF THE
ARMY NATIONAL GUARD**

**BRIGADIER GENERAL THOMAS KILMARTIN, DEPUTY CHIEF OF THE
ARMY RESERVE**

**COLONEL WILLIAM HARVEY, CHIEF OF THE ARMY BASE REALIGN-
MENT AND CLOSURE OFFICE**

STATEMENT OF THE CHAIRMAN

Mr. HEFNER. The committee will come to order.

Good morning, gentlemen. I appreciate you all being here, and having to come through the snow. I assume you had no problem getting across the river.

Today we will review the military construction, family housing, overseas construction and base closure programs in the Army, the Army National Guard, and the Army Reserve.

Our witnesses today are Mr. Paul Johnson, Deputy Assistant Secretary of the Army; Brigadier General Robert Herndon, Director of Facilities and Housing for the Army; Brigadier General William Biló, Deputy Director of the Army National Guard; Brigadier General Thomas Kilmartin, Deputy Chief of the Army Reserve; and Colonel William Harvey, Chief of the Army's Base Realignment and Closure Office.

Gentlemen, we appreciate your appearing before the committee this morning. I suppose we will start with Mr. Johnson.

You can summarize your statement, and your entire statement will be a part of the record. So without any further ado, we will go ahead, Mr. Johnson. Welcome. Good to see you again. It looks like you weathered the winter pretty good.

**STATEMENT OF MR. PAUL JOHNSON, DEPUTY ASSISTANT SECRETARY
OF THE ARMY**

Mr. JOHNSON. Thank you, Mr. Chairman.

Mr. Chairman and Members of the committee, it is a pleasure to appear before you to discuss the Army's military construction request for fiscal year 1995 and the status of base realignment and closure actions within the Department of the Army. These programs are clearly of considerable importance to the Army as well as this committee and we appreciate the opportunity to report to you on them.

With me today are General Herndon, Director of Facilities and Housing; General Bilo, Deputy Director, Army National Guard; General Kilmartin, Deputy Chief, Army Reserve; and Colonel Harvey, Chief of the Base Realignment and Closure Office.

I ask that our statements be submitted for the record.

Before we begin discussing the details of our military construction request and the status of base realignment and closure actions, I would like to highlight some key areas. The Army's \$2.2 billion MILCON budget reflects the fiscal constraints of the reduced military force structure we are projecting. The Army is restructuring to a power projection, United States based force, while still maintaining a minimum forward presence.

One of the largest challenges we face in our constrained resources environment is to maintain our facilities' readiness while downsizing the Army. The requirement to shape the Army for the future and reduced defense resources has produced this fiscal year 1995 military construction budget.

The active component portion of this budget funds our highest priority military construction and housing requirements, which emphasizes strategic mobility, revitalizes barracks and family housing, health and other mission essential projects.

In addition, this budget funds facilities for the execution of the chemical demilitarization program, which the Army manages for the Department of Defense.

For the Army National Guard and Army Reserves, our fiscal year 1995 budget request is austere. This reflects fiscal constraints imposed on the Army. In the base realignment and closure area, the Army is making significant progress in reshaping our base structure throughout the world.

BRAC I is progressing well. We have closed 69 of 77 installations recommended for closure. The fiscal year 1995 budget is our last BRAC I budget submission. Overseas closures total 586 sites to date for Europe, Korea and Panama. Reduced budget authority in fiscal year 1995 will slip selected program execution in BRAC 91 by one year. We are beginning implementation of BRAC 93. The recent rescission action will adversely impact BRAC 93.

Last, I would like to talk about another important source of resources in support of the Army's facilities. It is the real property maintenance activities. The appropriation for these funds is provided as a part of the defense appropriations bill. These funds reflect the costs to operate and maintain the Army's physical plant. We would also ask for your support in this area, which plays a critical role in our facilities revitalization initiatives.

I would like now for you to hear more specifics on the 1995 active, National Guard, Reserve and base realignment requests.

Mr. Chairman and Members of this committee, thank you for your continued support.

This concludes my statement. I will be followed by General Herndon.

[Prepared statement of Paul W. Johnson follows:]

RECORD VERSION

STATEMENT BY

PAUL W. JOHNSON
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OFFICE OF THE ASSISTANT SECRETARY OF THE ARMY
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COLONEL WILLIAM T. HARVEY
CHIEF, BASE REALIGNMENT AND CLOSURE OFFICE
OFFICE OF THE ASSISTANT CHIEF OF STAFF
FOR INSTALLATION MANAGEMENT, DEPARTMENT OF THE ARMY

BEFORE THE
SUBCOMMITTEE ON MILITARY CONSTRUCTION
COMMITTEE ON APPROPRIATIONS

HOUSE OF REPRESENTATIVES
SECOND SESSION, 103RD CONGRESS

REGARDING

FISCAL YEAR 1995:
MILITARY CONSTRUCTION, ARMY
MILITARY CONSTRUCTION, ARMY NATIONAL GUARD
MILITARY CONSTRUCTION, ARMY RESERVE
BASE REALIGNMENTS AND CLOSURES (BRAC)

March 2, 1994

NOT FOR PUBLICATION UNTIL RELEASED
BY THE HOUSE APPROPRIATIONS SUBCOMMITTEE

Mr. Chairman and members of the subcommittee, it is a pleasure for us to appear before you to discuss the Army's portion of the military construction request for Fiscal Year 1995. Also, we will discuss the status of base realignment and closure actions within the Department of the Army. These issues are clearly of considerable importance to the Army, as well as this committee, and we appreciate the opportunity to report to you on them.

This hearing statement is broken into four parts:

*PART I - MILITARY CONSTRUCTION, ARMY
FAMILY HOUSING, ARMY
HOMEOWNERS ASSISTANCE FUND, DEFENSE*

*PART II - MILITARY CONSTRUCTION, ARMY
NATIONAL GUARD*

PART III - MILITARY CONSTRUCTION, ARMY RESERVE

PART IV - BASE REALIGNMENT AND CLOSURE (BRAC)

PART I
MILITARY CONSTRUCTION, ARMY
FAMILY HOUSING, ARMY
HOMEOWNERS ASSISTANCE FUND, DEFENSE

First, I will present the Army's portion of the Military Construction budget request for Fiscal Year 1995 (FY 95). Our program focuses on four major areas: strategic mobility; unaccompanied and family housing renewal; environmental compliance; and chemical demilitarization facilities. This program will provide only minimum construction to continue the reshaping of the Army.

The program presented requests authorization of appropriations for Military Construction, Army of \$690,576,000, and \$1,273,610,000 for Army Family Housing. This year there are no additional requirements for funds for the Homeowners Assistance Program, which the Army manages for the Department of Defense.

America's Army is made up of Active, Reserve, and National Guard units, civilian employees, family members, installations, facilities, weapon systems and equipment. As we move toward the 21st Century, the Army is confronted with difficult challenges - maintaining a smaller Army while dealing with an uncertain world, and constrained resources. America's Army is trained and ready to fight, serving the Nation at home and abroad, a strategic force capable of decisive victory. Even with the budgetary constraints and organizational changes, the American people will demand nothing less from the Army than quick, decisive victories with minimal loss of life if we must fight. The Army of the future will be smaller, more versatile and based primarily in the United States. We will rely on quality people, competent leaders, tough realistic training, modernized equipment, and sound doctrine.

This budget reflects the fiscal constraints and reduced military force structure that we are planning. One of the largest challenges we face in our constrained resource environment is to maintain our facilities' readiness while downsizing the Army. The requirement to shape the Army for the future and reduced Defense resources has produced this FY 95 Military Construction budget. The budget funds only our highest priority military construction and family housing requirements in addition to funding facilities for the execution of the chemical demilitarization program, for which the Army is the Executive Agent.

One of the challenges facing our policy makers, commanders, soldiers and civilian employees as we make our way into the 21st Century is how to keep the various components of the Army in balance while maximizing effectiveness, efficiency, and

responsiveness from the limited available resources. We face a constant struggle to keep the capabilities of the Army in equilibrium with the requirements placed on it as an element of the national military strategy. Recent history shows that we must meet the many demands of a changing, uncertain world immediately. There is little time to build response forces when an unexpected crisis occurs. No one knows when, where, or how new threats to our Nation will manifest themselves, but this uncertainty makes the new dangers no less real than the old Cold War threat. Therefore, in support of the national military strategy, we have set out to build our U.S. installations into power projection platforms to deploy forces beyond our borders anywhere in the world with little advance notice.

The Army continues to adjust to both reduced defense resources and a security environment that continues to change on almost a daily basis. We are becoming a smaller, better trained, more mobile force -- an Army better postured for the changing world in which we find ourselves. Although we face no immediate threat from another major world power, we must maintain the capability to reconstitute forces within a reasonable time to counter a major threat. Our challenge is to maintain the ability to respond to a broad spectrum of possible contingencies. Essential to meeting this challenge is maintaining a clarity of purpose. We must remain uncompromising in our readiness standards while moving forward on the challenge to shape the force.

As the Army is changing, we are also changing the way we manage our installations. To this end, the Army has reorganized and created an organization whose principal mission is the promulgation of policy and integration of doctrine pertaining to the planning, programming, execution and operation of Army installations. The Assistant Chief of Staff for Installation Management provides Army-wide guidance and leadership for installation management issues, including base operations, facilities, family housing, base realignment and closure, environment, and community and family support. Our strategy is to provide excellent facilities and services in a quality environment. Our goal is to ensure we have world class power projection platforms with proven leaders in city management functions and to have our installations become models of public administration. The Army leadership has challenged all installations to be leaders in environmental stewardship and encouraged them to develop a responsible partnership with the local communities.

We need to ensure that there is a balance between all programs affecting readiness and the support to our personnel. Our strategy can only be achieved through a balanced funding, divestiture of excess capacity and improvements in management. We will continue to work toward maintaining the maximum

flexibility of our installation commanders to use the resources available to them to maintain maximum readiness and provide the support and facilities they need. We will also continue to streamline, consolidate and effect community partnerships that generate resources for infrastructure improvements and continuance of services.

I would now like to talk about our facilities strategy as it affects America's Army and maintaining operational effectiveness and, most importantly, caring for our soldiers and their families. Our facilities mission is to meet the demands of a ready fighting force, support National objectives such as environmental protection, and provide quality living and working conditions within the resources available to ensure we attract, train, equip and retain quality soldiers.

FACILITIES STRATEGY

The Military Construction, Army (MCA) program constitutes approximately 1.1 percent of the total Army budget request in FY 95, while the Army Family Housing (AFH) program represents another 2.1 percent of the total Army budget. These funds finance new construction, revitalization of the facilities, and family housing operations and maintenance to protect the health and safety of our soldiers, provide suitable living facilities for our personnel, and protect the environment and living conditions of all personnel.

The Army's facilities strategy is applied in our allocation of funds within the total funds available to the Army. The strategy is to reduce our facilities inventory; to focus our facilities budget on ensuring and sustaining quality of life and the environment at our remaining installation infrastructure, and to maintain the inventory we are keeping. In addition to Base Closure and Realignment in the United States and OCONUS base reductions, we are continuing a facility reduction program to further reduce our infrastructure. This program consists of consolidating into our best facilities, specific reduction targets for each Major Command, and demolishing one square foot of existing facilities for every square foot of new construction. On the resource side, we strive to obtain sufficient funds and focus them on the areas of highest payback.

Because of overall budget constraints, our request for Military Construction and Family Housing is modest. Regardless, we remain committed to taking care of what we have before building new. Any decision to provide a new facility is made only after a detailed analysis of the alternatives shows that there is no other economically acceptable solution to upgrade

existing facilities. Thus, projects that are classified as facility upgrade or modernization do not have a lower priority, they merely represent the optimum alternative as the facilities strategy is applied.

As the Army transitions to a smaller force, we must emphasize that construction of new facilities is still necessary. Although we can reduce the facilities that are not required, we must also replace the facilities that are uneconomical to operate and maintain. Thus, new construction represents revitalization through facilities replacement. Additionally, we must continue to streamline our base structure with selected base closures and realignments. Our overseas strategy is to support funding levels consistent with existing and projected force structure levels reflecting our reduced forward presence. Facility funding will maximize use of host nation burdensharing initiatives.

The FY 95 MCA request supports a program aimed at improving the quality of life of our unaccompanied personnel and providing mission essential and environmental construction. Approximately forty-six percent of the MCA program funds these areas. This year forty percent of the MCA request is dedicated to the chemical demilitarization program at Umatilla Depot Activity, Oregon, and Pine Bluff Arsenal, Arkansas. The remaining MCA provides for planning and design and unspecified minor construction projects, which totals fourteen percent in FY 95. All of this request is essential for the Army to successfully perform its mission and care for its people.

As in the past few years in the family housing area, our thrust is to operate, maintain and modernize what we own. Sixty-nine percent of our resources in FY 95 is going to pay for operations, utilities and maintenance expenses and repairs to existing units. Additionally, nineteen percent will pay for the leasing of homes to provide adequate housing for our military families. Much of the operations, maintenance and leasing costs is an offset by reductions in the Military Personnel, Army (MPA) account, since the service members are giving up their housing allowances. The remainder of our request, twelve percent, will be used to construct 989 replacement homes, revitalize another 678 units through the whole neighborhood revitalization concept which includes the supporting infrastructure, accomplish planning and design, and provide servicemen's mortgage insurance premiums.

Now, I would like to discuss several of the highlights of the budget that we are presenting today.

MILITARY CONSTRUCTION, ARMY (MCA)

SPECIAL PROGRAM HIGHLIGHTS

STRATEGIC MOBILITY

Strategic mobility is absolutely essential to a power projection Army. We must have ready access to significant and reliable rail, sea, and air transportation assets. The Army must also have equipment prepositioned around the world for deploying troops. Finally, we must improve the infrastructure at our power projection installations across the United States.

Last year the Army started an upgrade of the strategic mobility infrastructure. The FY 95 budget continues that upgrade with five projects, \$45,300,000, at four installations. Two projects at Sunny Point Military Ocean Terminal, North Carolina, will provide increased container holding capacity, and deep draft dredging of the port facility to increase the capacity of the entrance channel and turning basins. At Fort Campbell, Kentucky, we are increasing the capacity of the installation rail network. The construction of a mobilization deployment warehouse will provide Fort Benning, Georgia, with warehouse storage and issue facilities, as well as necessary hardstand to accommodate transient and temporary storage of material and equipment for deploying units. The cargo staging and holding area at Bayonne Military Ocean Terminal, New Jersey, will provide a secure and safe 24-hour cargo staging facility. The Army has the opportunity to use the lessons-learned of recent deployments to construct a strategic mobility system that will allow us to rapidly deploy anywhere in the world. The FY 95 program will continue these crucial improvements.

WHOLE BARRACKS RENEWAL INITIATIVE

In our efforts for achieving Army communities of excellence, the Army has initiated a long range Whole Barracks Renewal program to provide funding for new construction and modernization projects. This program represents a significant, long-term commitment on our part to improve the living conditions of single soldiers, and provide them with the best facilities possible. Current expectations require we provide a living environment conducive to attracting and retaining quality soldiers. With the advent of a smaller, CONUS-based force, we must provide more space and a quality of life for our single soldiers that is comparable with living off the installation. Based on input from our soldiers, the Chief of Staff of the Army initiated a Whole Barracks Renewal program that includes larger rooms, closets,

upgraded day rooms, centrally-procured furnishings, additional parking, landscaping and administrative offices separated from the barracks. As part of the effort in FY 95 to improve our soldiers living conditions, we are planning nine barracks projects to either construct new facilities or provide for barracks modernization, \$200,300,000, and one dining facility modernization for \$28,000,000.

ARMY ENVIRONMENTAL COMPLIANCE

The FY 95 program includes three projects for environmental compliance totaling \$10,700,000. The largest project, to cover water tanks, \$5,200,000, at Kwajalein Atoll, will prevent contamination of the water supply system for the entire population of Kwajalein. A second project at Kwajalein Atoll will provide fuel containment facility upgrades, \$1,200,000, for one self-contained, above-ground storage tank. These projects will permit the United States to comply with the Environmental Mitigation Plan defined in the Compact of Free Association between the United States and the Republic of the Marshall Islands. The last environmental compliance project will provide a sewage treatment plant, \$4,300,000, at Camp Bullis, Texas, a sub-installation of Fort Sam Houston.

CHEMICAL DEMILITARIZATION

Construction of the first CONUS chemical demilitarization facility is complete at Tooele Army Depot, Utah. Systemization is underway. We expect to start operation in March 1995.

The second facility at Anniston Army Depot is now planned for construction start in the fall of FY 94, after Congressional review of the Army's Alternative Technologies Report. Because of the delay of the National Research Council of the National Academy of Sciences recommendations report on Alternative Technologies to the Army, the Army's Alternative Technologies Report is now scheduled to be provided to Congress in early April 1994. Also, the construction award of Anniston is contingent upon the successful operations of the Johnston Atoll Chemical Agent Disposal System for a period of six months and the scheduled award of a construction contract for another non-low-volume chemical weapons storage site in the CONUS within the same 12-month period in which Anniston is awarded. We are continuing the permit process with the State of Alabama and expect to have all permits by the time we are projecting award of the construction contract.

The FY 95 request continues the program by constructing two additional facilities. The first will be constructed at Umatilla Depot Activity, \$179,000,000, and a smaller facility at Pine Bluff Arsenal, \$97,000,000. The total construction requirement for chemical demilitarization this year is \$276,000,000, or forty percent of the total MCA request.

REVITALIZATION OF ARMY FACILITIES

We clearly recognize the importance of building an infrastructure that provides a solid foundation for sustaining a quality Army. Our facilities revitalization program accomplishes this by renewing the foundation with modern facilities to meet the needs of our high quality force. With declining defense budgets and reductions in our force structure, we must streamline our military base structure. Our goal is to reduce our existing facilities base. The smaller Army of the future will allow us to consolidate activities into our best facilities where possible and revitalize those facilities remaining after force reductions. Even as our facilities base declines, we must continue to maintain an adequate level of funding. The current budget has a revitalization investment rate, in the revitalization portion of both Military Construction, Army (MCA) and Real Property Maintenance Activities (RPMA), of about 1.01% of the Army's facilities Plant Replacement Value, a 99-year cycle. Although this funding rate is below our goal of 1.75% and 57 years, it does provide a minimum level of construction to continue our efforts to provide adequate living and working conditions for service members and their families. We continue to be committed to improving this rate of investment and believe it can be accomplished as force structure and basing decisions are made. These actions, coupled with execution of Army's strategy of reducing our facilities inventory, focusing our resources on ensuring and sustaining quality of life at our remaining installation structure, and maintaining the inventory we are keeping, should provide the means necessary to maintain quality facilities for our high quality force.

BUDGET REQUEST ANALYSIS

The FY 95 MCA budget request includes a request for appropriations of \$690,576,000, along with a companion request for authorization and authorization of appropriations for the same amount.

The appropriations request, by facility category, is shown in TABLE 1:

TABLE 1
FACILITY CATEGORY APPROPRIATIONS

FACILITY CATEGORY	FY 95 APPROPRIATIONS	PERCENT
Operation & Training	23,050	3.3
Maintenance & Production	297,250	43.0
Research, Development, Test and Evaluation	6,600	1.0
Supply & Administration	10,350	1.5
Unaccompanied Housing	228,300	33.1
Utilities & Real Estate	25,100	3.6
Design	87,926	12.7
Minor Construction	12,000	1.8
TOTAL	\$690,576	100.0

TABLE 2 shows the FY 95 distribution of the appropriations request among major commands in the United States and overseas.

TABLE 2

COMMAND SUMMARY

COMMAND	FY 95 APPROPRIATIONS (\$000)	PERCENT OF TOTAL
INSIDE THE UNITED STATES		
Forces Command	167,350	24.2
Training & Doctrine Command	62,750	9.1
Army Materiel Command	282,600	40.9
Army Pacific Command	10,000	1.4
US Military Academy	28,000	4.1
Military District of Washington	7,300	1.1
Military Traffic Management Command	26,250	3.8
TOTAL	\$584,250	84.6
OUTSIDE THE UNITED STATES		
Army Strategic Defense Command	6,400	0.9
TOTAL	\$ 6,400	0.9
Total Major Construction	\$590,650	85.5
WORLDWIDE		
Planning and Design	87,926	12.7
Minor Construction	12,000	1.8
TOTAL	\$ 99,926	14.5
TOTAL APPROPRIATIONS REQUESTED:	\$690,576	100.0

ARMY FAMILY HOUSING

I will now present the Army's family housing portion of the Military Construction budget request for FY 95. No single quality of life component matches the importance of proper housing for Army soldiers and families.

Adequate housing continues to be one of our top goals. Maintaining or finding adequate, quality housing for its soldiers and families is one of the Army's continuing challenges. The family housing program provides quality of life incentives necessary to attract and retain dedicated individuals to serve in the Army, thus attempting to reduce the turbulence in recent force structure actions. We are facing a changing Army both in the number of personnel we will have to provide housing for, as well as the location of those personnel. With a power projection, predominantly continental United States based force, we need to find additional housing at our installations in the United States as military personnel return from overseas. Obtaining adequate and affordable housing for the junior enlisted soldier is a particularly difficult problem. In foreign countries, we continue to look at keeping adequate government controlled housing, using the leasing program to provide flexibility to field commanders during the draw down process, and helping personnel find economy housing as required.

The family housing request reflects the Army's attempt to provide suitable housing for our soldiers and to maintain the quality of the facilities entrusted to our stewardship. We are providing the minimum funding for operations and maintenance and repair to maintain our facilities. We are not, however, funding all of the major repair and revitalization work necessary to preclude further deterioration. We are reducing the inventory by eliminating units not economical to repair. The FY 95 family housing budget request for appropriations and the accompanying authorization of appropriations request is for \$1,273,610,000.

HOUSING PROGRAM ACCOUNTS

The Army Family Housing budget request includes resources for a replacement construction program in FY 95 for units no longer economical to revitalize, a modest revitalization program for our aging housing inventory, planning and design of future construction projects, and funding of the majority of the annual costs of operating, maintaining, and leasing housing units for military families. This request provides resources to slow the deterioration of the existing inventory at enduring United States installations.

TABLE 3 summarizes each of the categories of the Army Family Housing program and the percent of the total request for each category.

TABLE 3 - ARMY FAMILY HOUSING

FACILITY CATEGORY SUMMARY

FACILITY CATEGORY	FY 95 APPROPRIATIONS (\$000)	PERCENT
New Construction	96,650	7.6
Post Acquisition Construction	49,760	3.9
Planning and Design	5,992	0.5
Operations	189,408	14.9
Utilities	283,933	22.3
Maintenance	404,414	31.7
Leasing	243,442	19.1
Debt Payment	11	<0.1
TOTAL	\$1,273,610	100.0

NEW CONSTRUCTION

The Army's FY 95 new construction program provides family housing for replacement of housing where it is more economical to replace current housing than to renovate.

This year, as part of the whole neighborhood revitalization program, we have requested 989 units at seven locations to replace family housing where it is more economical to replace versus renovate the current housing and there is a housing requirement. This replacement construction, which includes the supporting infrastructure, ensures that adequate housing is available at these locations for our soldiers and their families without adding to the current inventory. At each location the housing being replaced will be taken off the Army's inventory or demolished. Each project is supported with a housing survey showing that adequate and affordable units are not available in the community.

At one location, Fort Stewart, we are asking for the authority to construct 248 units, of which 128 units will be funded from appropriations in the FY 95 request and 120 units will be funded with resources available from the FY 92 appropriations act.

POST ACQUISITION CONSTRUCTION

The Post Acquisition Construction program consists of our revitalization program (such as whole neighborhood revitalization and upgrade of substandard units) to bring units up to contemporary construction standards. Due to the aging of our inventory, we must continue to protect the government's investment and provide long lasting benefits to our soldiers and their families. Our investment in the family housing post acquisition construction program continues to play a large role in the revitalization of Army Family Housing.

This year our request will provide whole neighborhood revitalization of 678 units. All projects will be at CONUS locations. Included in revitalization are efforts to improve energy conservation and to eliminate environmental hazards. This

request continues the initiative that Congress approved three years ago to revitalize not only the housing unit, but the entire living environment of the military family. This whole neighborhood revitalization program provides systematic upgrade and repair of the existing housing inventory, while concurrently improving neighborhood amenities. All projects recommended for this program are based on life cycle economic analyses and are comparable to new construction standards. The combination of replacement and post acquisition construction provides for annual U.S. investment that is 1.8 percent of the plant replacement value or a 55 year replacement program.

OPERATION AND MAINTENANCE

The operation, maintenance and utilities programs comprise the majority of the FY 95 budget request; almost sixty-nine percent. The request provides for the Army's annual expenditures for municipal-type services and utilities. It only partially provides for the maintenance of the existing inventory, which is needed in order to protect the Army's investment and provide stewardship of the family housing inventory. The request includes some funding for major maintenance and repair work, a vital component of our revitalization program, which was not completed in prior years due to insufficient funding. The FY 95 request continues programs which were in effect during previous years, but only provides minimum resources for our total maintenance and repair requirements when including the backlog. By the end of FY 95, the Army will reduce approximately 28,000 units from its inventory from the 1990 level. Most of this reduction will be at overseas and base closure locations.

This budget funds the anticipated requirements for operations and utilities in FY 95. The request also continues funding for the installation, operation and maintenance of an Army-wide computer system, Housing Operations Management System (HOMES), which is improving many phases of housing management. To assist soldiers in their efforts to find off-post housing, the Army has expanded the mission of the Community Homefinding Relocation Referral Services Program. This program's objectives are: to assist newly arrived personnel in finding adequate affordable community housing; to provide continuing guidance and assistance on off-post housing; and to assist relocating soldiers in making informed housing choices at their new duty stations. Due to continued management emphasis and the impact of previously approved energy conservation projects, a reduction in energy

consumption has been factored into the utilities request. This budget supports the Army energy conservation goal of a 1.3 percent reduction in overall facility energy requirements. Revitalization of family housing units provides savings in energy, since the energy efficiency of the improved quarters will be comparable to new construction standards. A continuing objective of the operation and maintenance program is the improvement of living conditions for military families throughout the world by accomplishing the annual maintenance and repair of our inventory. However, this budget request will not accomplish all the maintenance and repair work which is needed to meet this objective.

REVITALIZATION BACKLOG

The revitalization backlog includes replacement construction, post acquisition construction, major maintenance and repair work, and associated planning and design, which are required to meet DoD criteria, and which were scheduled for accomplishment in a prior fiscal year, but are not funded. Foreign currency losses and fiscal constraints since FY 86 created funding shortfalls which resulted in a significant rise in this backlog. Although the FY 95 budget does slow the deterioration to the inventory by replacing units and providing whole neighborhood revitalization to other units, the revitalization backlog will still be considerable by the end of FY 95.

LEASING

The leasing program provides another way of adequately housing our military families. Our leasing program includes Section 2836 (formerly 802) rental guarantee housing, domestic leases, Section 2835 (formerly 801) and temporary domestic, and foreign leases.

We have constructed and are fully occupying a 276-unit Section 2836 rental guarantee project in Hawaii. This project provides additional housing so sorely needed in this area.

We are requesting \$66,161,000 for the domestic leasing program for FY 95 to fund the existing Section 2835 project requirements and the temporary domestic leases. This will support an average of 4,680 leases in the contiguous United States, Alaska and Hawaii.

One of the larger portions of this budget presentation is the foreign leasing program. For this program, we request \$177,281,000 in FY 95. This will support an average of 9,975 units to be occupied during the fiscal year. This is a reduction of \$21,543,000 from the FY 94 appropriation, and reflects decreased stationing requirements in Europe. The program also continues to support execution of the Government Rental Housing Program (GRHP) in Europe. Under this program the Army leases directly with European landlords and pays all lease costs while our soldiers forfeit all housing allowances. The soldiers then stay in these leased units for their entire tour and are relieved of the high out-of-pocket expenses associated with renting on the economy in Europe. We found that soldier morale is improved and there is no additional cost to the government since monies that would have been paid in housing allowances from the Military Personnel, Army (MPA) account are now funded in the housing leasing account. Also, the GRHP leases will help in the orderly reduction of soldiers in Europe by providing flexibility to Commanders to shift leases from location to location or cancel leases no longer required.

Our total leasing program request supports an average of approximately 14,650 units in FY 95 to satisfy requirements in the United States, Europe, Korea, Panama, and other locations. These are our high priority locations where providing flexible family housing solutions is essential to improving the quality of life of our soldiers.

REAL PROPERTY MAINTENANCE ACTIVITIES

I would now like to talk about another important source of resources in support of the Army's facilities, the Real Property Maintenance Activities (RPMA). The appropriations for these funds is provided as a part of the Defense Appropriation Bill.

RPMA ACCOUNTS

RPMA is a major program with four major functional accounts- Operation of Utilities, Maintenance and Repair of Real Property, Minor Construction, and Engineer Support. RPMA reflects the cost to operate and maintain the Army's Physical Plant. Following is a list of these functions:

Operation of Utilities - includes the procurement, production and distribution of all utilities, such as electrical energy, steam, hot water, fuels, utilities, and water. This area also includes the operation of Army owned utility systems and plants.

Maintenance and Repair of Real Property - pays to maintain areas such as the utilities systems, buildings, grounds, railroads and other surfaced areas.

Minor Construction - funds projects under \$300,000, such as, the erection, installation, assembly of a new real property facility. Additions, expansions, extensions, alterations, conversions, or replacement of an existing real property facility are also funded from the minor construction account. Additionally, the relocation of a real property facility from one installation to another would be paid for from this account.

Engineer Support - funds services normally provided by municipal governments. Support services such as fire prevention and protection, refuse handling and disposal, and snow and ice removal are provided within this account. Other services provided include facilities engineering management, rental of real property and real estate administration, pest control services, master planning, and supervision of the Director of Public Works Staff.

SOURCES OF RPMA FUNDING

RPMA is the single largest component of installation operating costs. The several appropriations which finance installation operations include RPMA funds: Operation and Maintenance, Army; Operation and Maintenance, Army National Guard, Operation and Maintenance, Army Reserve; Research, Development, Test and Evaluation; Defense Business Operations Fund. RPMA is augmented by reimbursable customers (Army and other Department of Defense tenants), non-appropriated fund activities, and host nation support.

BACKLOG OF MAINTENANCE AND REPAIR

When we cannot fund the annual recurring maintenance and repair requirements, the result is a Backlog of Maintenance and Repair (BMAR). BMAR is defined as an aggregation of major maintenance and repair projects that were planned for accomplishment in previous fiscal years but were not accomplished due to lack of resources. BMAR projects are routinely reevaluated at least once each three years and on occasions more often.

There are several ways to reduce BMAR. By funding and completing outstanding maintenance and repair projects, we remove them from the backlog list. The requirement is also removed by accomplishing a new construction project and removing an older facility from the inventory. Another way we reduce BMAR is by deactivating or demolishing the facility requiring maintenance and repair work or by closing all or part of the installation. However, BMAR cannot truly be reduced or avoided unless the annual recurring maintenance and repair requirements are fully funded.

BMAR is an indicator of the condition of our Real Property Assets. A high level of BMAR indicates a poor condition of facilities, and this will impact on the living and working condition of the soldier and his family. It will also result in a more rapid deterioration of facilities, some of which will then be in violation of environmental compliance laws and require immediate repair at a significantly higher cost. Poor facilities conditions can have a direct impact on force readiness. At the start of FY 94, the BMAR for the Army was \$2.7 billion. Based on current funding projections, the BMAR is projected to grow to \$4.6 billion at the end of FY 95.

IMPACT ON REVITALIZATION

Revitalization of the Army's physical plant is defined as the systematic replacement or renovation of the Army's real property facilities to current standards for mission accomplishment and physical condition. As I mentioned earlier, the funding sources for Army revitalization are primarily the OMA and MCA appropriations. Research, Development, Test and Evaluation; Non-Appropriated Fund and private sector financed facilities (3rd party arrangements) also support revitalization of utility plants, the industrial base and other associated Army facilities. Revitalization funds basically come from either major maintenance and repair projects or "current mission" construction projects (MCA). In FY 95, we have requested \$1.21 billion to fund these two areas.

The major maintenance and repair projects provide revitalization through renovation of existing facilities while construction provides revitalization by replacing old facilities or complete modernization of current assets. Coupled with efficiency and productivity enhancements, innovative business practices, and some financial flexibility from Congress, full funding of our RPMA requirements and BMAR reduction funding could begin a slow but steady decrease in the backlog. Levels of funding in the FY 95 budget will not support a proper maintenance and repair program.

SUMMARY

In summary, the FY 95 requests for appropriations for Military Construction Army and Army Family Housing is \$1,964,186,000. With approval of this request we will continue to: provide safety, health and environmental compliance facilities; provide adequate housing for soldiers; meet statutory and regulatory requirements; and repair essential facilities. This request will provide for family housing leasing, and operate and minimally maintain the current inventory. Approval of this request will provide some minimum revitalized facilities infrastructure with the environmental and safety requirements.

PART II

MILITARY CONSTRUCTION, ARMY NATIONAL GUARD

Next, I will present the Army National Guard's (ARNG) Military Construction Program for FY 95.

Our FY 95 military construction request of \$9,929,000 includes \$2.083 million for major construction of a Sewage Treatment Plant Environmental Compliance project, \$5.167 million for Unspecified Minor Construction, \$0.840 million for Armory Unit Storage Buildings, \$0.839 for Armory Indoor Range Rehabilitation, and \$1.0 million for Planning and Design.

Today, the Army National Guard (ARNG), "America's Army on Call," has taken on new responsibilities. Our Guard is manned with higher quality soldiers, trained and equipped to a higher degree of readiness, and modernized to a greater extent than ever before in its 357 year history. The Army's Total Force policy and the resources provided by Congress have made this progress possible. The lessons learned and our experiences from participation in OPERATION DESERT STORM have heightened our intense commitment toward combat readiness and supporting our "Citizen-Soldiers" and their families.

The Active and Reserve Components are exploring options in which America's Army can retain and improve its versatility, deployability and decisive capabilities to meet the defense needs of our nation as we move into the 21st century. The ARNG has proven to be, dollar for dollar, cost effective in performing its State mission of providing military support to civil authorities and its Federal mission of deterring war or helping to bring our armed conflicts to decisive victory.

Dramatic improvements to the ARNG over the last decade have impacted on our facilities and training installation requirements. The ARNG is receiving modernized equipment from the Army which is more complex and higher technology than our present inventory. However, our facilities and training assets were built during a previous era, which did not require the size, sophistication or complexity demanded today and in the future. Our challenge is to provide the modern facilities and training assets to meet those demands by:

--Upgrading facilities to support ARNG units with early deploying missions.

--Modernizing facilities to support existing ARNG units with new missions.

--Reshaping existing facilities to accommodate larger and more sophisticated modern equipment.

FACILITIES SUPPORT FOR CONTINUED IMPROVEMENT IN THE 1990s

For the ARNG to maintain the high state of readiness developed during the 1980s and early 1990s, it is critical that our manpower, equipment, and facilities be modernized, maintained, and intensively managed. Currently, the ARNG provides 43% of the combat force structure, 34% combat support and 25% combat service support of the America's Army. All of these forces will be used in their wartime missions to support the Commanders-in-Chief (CINCs) when called upon.

FORCE STRUCTURE: In recognition of the fact that the future of the ARNG requires changes to force structure and changing missions, facility requirements need to be closely evaluated to ensure adequate facilities are available, and can support unit reorganizations and redistribution of assets.

READINESS AND EARLY DEPLOYING UNITS: Adequate facilities are essential to improve and sustain training, accommodate increasing levels of equipment, and readiness. Limited resources defer and delay the ARNG Military Construction program that provides the modern facilities necessary to conduct realistic, mission oriented training; to sustain Military Occupational Skill proficiency; or to maintain the new equipment fielded to the ARNG.

TRAINING: For our "Citizen-Soldier", the most critical element is time. This means we must provide training facilities closer to the units and maximize the training opportunities at our existing training sites. Training opportunities have greatly expanded with the use of local, regional, national, and joint training areas and centers. The use of high technology training equipment and training simulators enhance our abilities to make maximum use of limited resources.

RANGE MODERNIZATION: Our range modernization initiative, incorporating new range concepts, state-of-the-art target systems and Army training doctrine, continues. The ARNG range program modernizes and standardizes the type and quality of training at our training sites. The systems employed at our major training sites are more complex and more costly to construct than the older era fixed position ranges. These new ranges permit us to

train more troops in less time and result in improved weapons proficiency. Our goal is to provide modern ranges that can accommodate the individual soldier through combined arms training opportunities for our combat units. These include state-of-the-art Modified Record Fire, Automated Record Fire, Multipurpose Machine Gun, Tank gunnery, and Known Distance ranges.

PERMANENT TRAINING SITE FACILITIES: In order to sustain readiness, year-round training at our major training sites, permanent cantonment facilities (troop barracks, dining and support buildings) must be provided to supplement or replace the World War II wooden buildings, metal hutments, tent platforms and unheated facilities currently available. Additionally, sustaining military education requirements call for dedicated military education facilities to provide the necessary classroom and field environment to further develop and improve future leaders for the ARNG.

REGIONAL TRAINING CENTERS: In partnership with the Active Component and the Army Reserve, the ARNG has established regional training sites to provide specialized training not available at home station. These include the Regional Training Site - Maintenance, the Regional Training Site - Medical, and other specialized training on a regional basis in order to reduce precious time lost to travel and increase efficient use of limited training time.

EQUIPMENT READINESS: The Department of the Army continues to modernize the ARNG to include fielding of the Hawk Air Defense System, Multiple Launch Rocket System, M-1 Abrams Tanks, Bradley Fighting Vehicles, and Heavy Expanded Mobility Tactical Trucks. Requirements to maintain and manage this equipment in a go-to-war state of readiness places greater demands on our surface maintenance support. We are facing this challenge by systematically improving and modernizing our maintenance facilities. The new maintenance facilities require larger workbays to handle the larger equipment, more supply rooms and expanded equipment parking areas. These improvements enhance the quality of life for the full-time work force by providing efficient, well-lighted, properly equipped, safe, and environmentally sound facilities. New equipment wash platforms and consolidated storage areas at our training equipment sites will reduce the time required for turning in the equipment used during weekend and annual training sessions and comply with environmental requirements.

AVIATION SUPPORT FACILITIES: Army Aviation modernization is providing the ARNG with new rotary and fixed-wing aircraft to replace our older era aircraft. Adequate modern facilities are required to support operations, maintenance, and training of

aviation units. Additionally, these facilities permit us adequate space to safely park, maintain, and secure our high dollar aircraft assets and equipment inventory.

REAL PROPERTY AND MAINTENANCE

Let me now turn to an issue that gravely concerns me, the operation and maintenance of our physical plant. The replacement value of all of our facilities exceeds \$13 billion dollars. Their average age is 33 years. As stewards of the taxpayer, we take care of these facilities using the limited resources in our Real Property Maintenance Activity accounts.

We do so, though, in a way appropriate to our unique Federal/State status. The National Guard Bureau does not own, operate, or maintain these facilities. The States, Territories, and Commonwealths do, on our behalf. In return, we utilize a separate Cooperative Funding Agreement with each of the 54 States, Territories, and Commonwealths to transfer them money you have authorized and appropriated for this purpose. This money then goes for those critical training, aviation, and logistical facilities designated for support on the Facility Installation and Stationing Plan. For many of the logistical facilities, the States, Territories, and Commonwealths must contribute 25 per cent.

The States, Territories, and Commonwealths then pay the utility bills, hire and reimburse the employees necessary to operate and maintain these facilities, buy the supplies necessary for maintenance, and contract for renovation and construction projects and for required operational and maintenance services and equipment. They also lease facilities when the Military Construction program has not kept pace with training and logistical requirements.

The Facility Management Offices are making a herculean effort to operate and maintain all of our facilities. They do so for two dollars a square foot, less than half of what they should be spending. They scrimp, they save, they cross-level personnel; but even as they keep the facilities open, they are falling behind. The backlog of maintenance and repair is increasing.

SUMMARY

The Army National Guard continues to be an important part of America's Army. Our ability to maintain this position has been made possible through the resources made available to us by the Army and Congress. Facilities constructed during the last decade have played a major role in meeting force structure changes, accomplishing realistic and quality training, maintaining readiness and improving the quality-of-life for our "Citizen-Soldiers." Today's challenges are not insurmountable and the ARNG will continue to provide "Facilities of Excellence" within the resources available.

PART III

MILITARY CONSTRUCTION, ARMY RESERVE

Today's Army Reserve has proven itself to be a successful and essential partner in America's Army. In addition to relying heavily on its Reserve Forces to deploy and support our contingency force package, the Army increasingly looks to the Army Reserve's competencies and skills for peacetime training of America's Army; support of major operational missions, such as returning Active component equipment from Europe; support of overseas operations, such as Somalia; military-to-military contacts around the world; and in the emerging area of domestic support.

Army Reserve soldiers will be fully ready to do whatever is asked of them, provided they get the resources they need in training, equipment, and facilities. Adequate facilities are particularly important to maintain high morale and readiness. New equipment must be stored and maintained in appropriate facilities.

Reserve construction requirements differ from those of the Active component because of the decentralized nature of the Reserve Forces. Army Reserve communities serve as the initial location from which we will successfully project and sustain our trained and ready troops to support the National Military Strategy and serve the broadest possible national security strategies. Facilities must provide a top quality environment in which the "Citizen-Soldier" lives, works, and trains, as well as a symbol of community pride in the Army. Our Reserve Centers must be located in or near the civilian communities where our "Citizen-Soldiers" live and work.

A large part of the existing Army Reserve physical plant inventory is in need of repair. There are now about 1,448 centers, along with maintenance facilities owned or leased by the Army Reserve. Included in these facilities are 852 Government-owned and 596 leased centers. Because of the increased equipment storage requirements, significant overcrowding has resulted at many Army Reserve Centers. Our older facilities continue to serve us well but now they are rapidly approaching deterioration and functional obsolescence. Forty-five percent of the Army Reserve's 2,144 buildings are considered inadequate.

Many of these facilities were constructed or acquired during an era in which very little equipment was issued to the Army Reserve, and we had only one or two full-time personnel working at each Reserve Center. Because of increased full time unit support requirements, equipment storage requirements, significant overcrowding has resulted at many Army Reserve Centers.

The Army Reserve is undergoing significant changes in this time of re-shaping America's Army. A new mission for the Army Reserve is the transfer of four installations from the Active Army to the Army Reserve. New initiatives we are rapidly having to embrace are Quality of Life, Strategic Mobility and Barracks Renewal for our newly-acquired installations. The installations will serve the USAR as high quality regional training "Hubs." These training installations will provide multi-purpose centers of specialization and training opportunities for both individual and unit level. Valuable weapon and maneuver training areas will be available for all Army components to sharpen and refine skills at these installations. Recently, with the advent of the transfer and restructuring initiative between the Army Reserve and the Army National Guard, we are facing new challenges in how we shall utilize our facilities as units transfer into and out of our force structures. This initiative will undoubtedly have an impact on our requirements for new facility construction and Real Property Maintenance in future years; however, it does not have any impact on our request for the current fiscal year.

Five long-range goals have been developed to improve the facilities posture of the Army Reserve. Meeting these goals will significantly strengthen our ability to meet the national military strategy.

- (1) Obtain resources and utilize innovative means to gain economies of scale. Plan to consolidate units and facilities where feasible. Alter existing Government-owned properties to reduce acquisition costs.

- (2) Use portions of Active or Reserve Component assets to establish consolidated regional support hubs. These hubs will be designed for annual training, maneuver exercises, base operations support, and other activities that require space not available at local Army Reserve Centers. Evaluate and determine cost savings to be achieved.

- (3) Eliminate or reduce significantly the construction backlog by lowering the cost of facility acquisition. Obtain in the least costly manner facilities that meet the needs of the

Army Reserve, allow environmental stewardship, and facilitate modernization of equipment. Support acquisition of USAR installations and facilities that are jointly used with other Reserve organizations.

(4) Ensure efficient operation, timely maintenance, and safeguards against health and safety hazards, while concurrently providing creature comforts and aesthetic qualities that help attract and retain young men and women to serve as "Citizen-Soldiers." Strive for future characterized by Army Reserve Communities of Excellence. Develop a comprehensive program of maintenance and repair that not only responds to routine maintenance needs, but seeks to improve all aspects of the environment in which the soldier serves.

(5) Construct multi-use buildings that will serve the USAR and other Reserve Component organizations.

In FY 95, the Army Reserve construction program is requesting appropriations of \$7.9 million for minor construction and planning and design.

FY 95 REQUEST: The construction program reflects funding for planning and design and unspecified minor construction. The FY 95 program includes:

(1) Unspecified Minor Construction: Provides for projects not otherwise authorized by law, having a funded cost not to exceed \$400,000. Unspecified minor construction includes construction, alteration or conversion of permanent or temporary facilities. This program provides the means to accomplish projects that are not now identified, but that may arise during FY 95 to satisfy critical, unforeseen mission requirements, e.g., the arrival and redistribution of equipment or restationing actions. This will certainly be true for the new transfer and restationing initiative that will have possible unforeseen mission requirements during the transition process. The requested amount for unspecified minor construction is a modest \$2,657,000.

(2) Planning and Design: Provides for continuing design of valid construction projects that support the Reserve mission. Activities in this category include preparation of engineer drawings and specifications necessary to support construction projects of the Military Construction, Army Reserve, (MCAR), program. To adequately provide for future MCAR and FY 95 minor construction, \$5,253,000 is requested for the Planning and Design program.

Other important sources of resources for Army Reserve facilities are funding for Real Property Maintenance Activities (RPMA) and Environmental Compliance.

Real Property Maintenance Activities: Along with the \$2.0 billion backlog of known construction requirements, the replacement value of all of our facilities exceeds \$3.7 billion. Their average age is over 30 years. With the dollars from this appropriation, the Army Reserve accomplishes an astronomical task of operating facilities which includes repairing and performing preventive maintenance on them. The Backlog of Maintenance and Repair (BMAR) for the facilities is continuing to rise. The BMAR is projected at \$103 million at the end of FY 94, and will rise to above \$112 million by the end of FY 95.

Environmental Compliance: Environmental compliance funding requirements have increased from \$5.5 million in FY 90 to \$31.8 million in FY 94. Proposed FY 95 funding is \$42.3 million. This does not represent a significant program growth. Funding for the four newly-acquired installations by the Army Reserve is included in this amount.

SUMMARY

In summary, while competition for money in an era of severe fiscal constraints and the world's uncertain future will present major challenges for several years ahead, we remain confident that the men and women of the Army Reserve, when they are properly resourced, housed, and trained, can and will continue to be ready to do what their Nation asks of them. Congress has our gratitude for the support it has given and continues to give the Army Reserve.

PART IV

ARMY BASE REALIGNMENT AND CLOSURE
(BRAC) INITIATIVES

Next, I will review the Base Realignment and Closure (BRAC) initiatives currently underway in the Army. Because of the collapse of the Soviet Union and the end of the cold war, the Army is continuing its force downsizing. We are downsizing in the same way many major corporations are. Just as they are eliminating overhead and closing unneeded plants, we are inactivating forces, eliminating overhead, and closing unneeded military bases worldwide. The base realignment and closure process is a vital tool which assists the Army in carrying out its installation management strategy to achieve a balance between infrastructure and unit readiness. By reducing the inventory of installations, both in the United States and overseas, that do not meet our long-term force structure requirements, we are better able to focus our resources on those enduring installations we plan to continue to operate and maintain. The result of our efforts is an Army which has maximized its total operational readiness to meet the United States' global strategy. This effort makes available limited resources to do the right things in the Army: maintain the quality of the people in the Army and maintain the technological edge of their weapons. Our overall base closure policy is an important part of this effort. The policy has five compelling characteristics:

- It saves money that would otherwise go to unnecessary overhead.
- It supports military effectiveness by reducing the competition for scarce resources.
- It is fair and objective.
- It reduces overseas bases at a higher rate than those at home.
- It supports the investment necessary to maintain our power projection platforms in the United States into the 21st Century.

Closing military bases worldwide saves taxpayer dollars; permits the Army to invest properly in the forces and bases it keeps in order to ensure their continued effectiveness; and frees up valuable Army assets (people, facilities and real estate) for productive, private sector reuse.

The Army budget will decline by 40 percent in real terms from 1985 to 1997, and military personnel will be reduced by 30 percent. The Army's global base closures have been proportionate to this overall draw down. No CONUS bases were closed until two years ago, following decisions made in the 1988 and 1991 rounds of base closures. The Army is reducing its military forces and its overseas base structure much more than in the U.S. The Army has reduced the force by approximately 30%. The majority of this reduction came from overseas.

Our plan reduces the overseas infrastructure by approximately 40% as we complete our reduction in personnel stationed overseas to about 92,000, down 60% percent from 1991. The Army's spending to maintain bases overseas is declining dramatically, because of troop reductions and because Japan and Korea are paying an increasing share of the costs of stationing U.S. Forces there.

While the Army will attempt to continue to reduce its forward deployed forces, those forces have played a fundamental role in regions vital to national interests. Permanently stationing and periodically deploying forces overseas have been key to averting global crises and preventing war. They show our commitment, lend credibility to our alliances, enhance regional stability, provide crisis response capability, and promote U.S. influence and access throughout the world.

CONUS reductions to the force have accounted for an additional 10% of the total force reduction from 1991 to 1995. Closing domestic bases is a critical element of a balanced draw down. This approach preserves a fully capable, albeit smaller, military based in CONUS. This is reflected in the fact the Army has closed approximately 15% of its CONUS bases, an amount in direct proportion to the 10% force draw down which has been occurring in CONUS since 1991. The economic impact of the planned draw down is actually smaller than the impacts after the Korean and Vietnam Wars. However, the impacts are substantial in regions where the local economy depends heavily on defense spending.

There are three ways DoD, and, in turn, the Army can help support economic growth: investing in people, investing in industry and investing in communities.

The President's "Five Part" Community Reinvestment Program, announced on July 2, 1993, will speed the economic recovery of communities where military bases are slated for closure. This plan will assist the local communities reinvest in their economic growth. This is a sharp departure from the past. The Administration has developed a plan which gives top priority to early reuse of the bases valuable assets by host communities.

By cutting red tape through the enhancements of the President's program, the Administration expects to open the bases to economic reinvestment in half the time taken in the previous rounds of the base closure process.

With the above as a base, my remarks concerning BRAC will address those actions which are associated with initiatives in the five rounds the Army is currently executing: BRAC I, BRAC II, BRAC III, BRAC 91, and BRAC 93.

The distinctions are as follows:

BRAC I - BRAC I refers to the realignments and closures resulting from the 1988 Commission, as codified in PL 100-526. The Commission's recommendations, as they affected the Army, required the closure of 77 installations (including 53 stand-alone housing sites) and realignment of 57 other Army installations be completed by September 30, 1995. The Commission's recommendations were based on requirements as projected in December 1988. The Commission's recommendations began a long overdue streamlining of the CONUS base structure of the Army and focused primarily on installations, and not on force structure. Their overall recommendations provided the Army a baseline to restructure the installation requirements of what, in the future, would be dramatically altered troop levels.

BRAC II - BRAC II refers to the Service Secretaries' proposals for additional realignments and closures, as announced by the Secretary of Defense on January 29, 1990. The 1988 Commission's recommendations (BRAC I) aligned known requirements in 1988. BRAC II reflected the Army's initial transition into a smaller force, as reflected in the Army's FY 91 budget submission and changes in the threat environment and fiscal realities. BRAC II did not reflect, and was not intended to reflect, the pace of change in Eastern Europe which occurred following the fall of the Berlin Wall on November 1, 1989. Rather, BRAC II was the mid-term transition into the smaller force which was reflected in full scope in the FY 92/93 budget. A listing of the BRAC II proposals are shown at Table 1. BRAC II proposals that triggered the thresholds of Title 10 U.S.C. 2687, and were subject to the base realignment and closure process mandated by PL 101-510, were not pursued. All other actions are complete or currently being executed.

BRAC III - At the time that the first Base Realignment and Closure (BRAC) proposals were announced, Congress expressed concern that they did not include OCONUS installations. OCONUS installations were not included in BRAC II because conventional Forces Europe (CFE) treaty negotiations were expected to cover European force structure. Subsequently, force structure was removed from the CFE Treaty, which only addressed the reduction of certain types of military equipment.

On September 18, 1990, the Secretary of Defense announced the first round of overseas bases to be returned to host nations. These OCONUS announcements subsequently became known as BRAC III within the Army and should not be confused with the 1993 round of BRAC Commission recommendations for CONUS. Follow-on OCONUS closures and realignments have continued with this terminology. To date, thirteen rounds of BRAC III have been publicly announced, plus one announcement which addressed closures in Panama. BRAC III is the Army transition vehicle for a smaller overseas force, and one which integrates OCONUS closures into the overall drawdown of the Army's infrastructure. The Army has reduced its force structure by almost 30%, with approximately 60% occurring overseas. Additional OCONUS closures will occur to reflect the continuing drawdown of forward deployed ARMY forces. A country listing of the number of Army affected OCONUS installations, through Round Thirteen, is found at Table 2.

BRAC 91 AND BRAC 93 - Public Law 101-510, the National Defense Authorization Act for FY 91, established a new process for DoD base realignment and closure actions in the United States through 1995. The first phase of this new process is referred to by the Army as BRAC 91, with the second phase identified as BRAC 93.

The process applies to closures or realignments that trip the thresholds of 10 U.S.C. 2687. These thresholds are reached when the installation proposed to be closed is authorized to employ at least 300 direct-hire, permanent civilian personnel, or where a proposed realignment of an installation that is authorized to employ at least 300 civilians would be reduced by more than 1,000, or by more than 50% (whichever is less) of the number of authorized civilian employees. The Act directed the formation of an independent Defense Base Closure and Realignment Commission to review base realignment and closure recommendations made by DoD. All DoD recommendations are made based on a force structure plan submitted as part of the FY 92/94/96 Budgets, as well as selection criteria, which are published in the Federal Register; receive public comment; and are submitted for congressional review. The law requires the Commission to convene in Calendar Years 1991, 1993 and 1995 (hence, the terminology of BRAC 91, BRAC 93, BRAC 95).

This legislation also required the Army to cancel the base closures announced under BRAC II, announced in January 1990, which exceeded the Title 10 U.S.C. 2687 thresholds. All proposals through the final round in FY 95 that breach the 10 U.S.C. 2687 limits will be referred to the Commissions established by the legislation. The new legislation did not affect the execution of base closure initiatives mandated under Public Law 100-526 (BRAC I), except for changes forwarded to the Commission for approval, those actions that do not exceed Title

10 U.S.C. 2687 thresholds, or those which occur outside the Continental United States (BRAC III). The Army is currently implementing the recommendations of the FY 91 and FY 93 Commissions. BRAC 91 recommendations require the Army to close 5 installations and realign functions at 24. The Second Commission (BRAC 93) recommendations resulted in 1 closure and 4 realignments. With this background of the various base realignment and closure initiatives underway in the Army -- BRAC I (PL 100-526), BRAC II (January 29, 1990 proposals), BRAC III (OCONUS), BRAC 91 (PL 101-510) and BRAC 93 (PL 101-510).

-- The following sections will update the Army's implementation and execution of each of the "BRAC" initiatives.

PRINCIPLES GOVERNING ARMY BASE REALIGNMENTS AND CLOSURES

The Army is guided by a number of basic principles. During a time of transformation they have been the cornerstone and provided great assistance in the decision-making process for the various base realignment and closure recommendations.

These principles are:

1. Provide power projection platforms from which the Army can execute the national military strategy to project forces beyond our borders anywhere in the world with little advance notice.

2. Pursue closures, realignments and consolidations where they make good sense over the long term as cost effective alternatives to existing basing.

3. Identify excess capacity for closure, consolidation and realignment created by combinations of reduced workload, management initiatives, budget reductions and lower troop strength.

4. Provide training and readiness support and services in the most cost effective, responsive, and efficient manner possible.

5. Preserve the mobilization capacity for the Active and Reserve Components to assemble, concentrate, train and deploy reinforcing forces and formations.

For BRAC I, II AND III, these were our guiding principles. For BRAC 91 and 93, these principles were reflected in the selection criteria published in the Federal Register for both of these rounds of base closures.

COMMITMENT TO BASES PROPOSED FOR REALIGNMENTS AND CLOSURES

The Army continues to be keenly aware of the inherent hardships which accompany base closures and realignments, not only to our own soldiers, civilian employees, and their families, but to the surrounding communities and States in which these installations are located. We work hand in hand with the OSD, Office of Economic Adjustment, and State and local redevelopment committees and officials in an effort to minimize hardships to the extent possible. The President's "5 Point Plan" will enhance not only the Army's effort in this area, but it brings the assets of other departments of the Executive Branch, together with the Army to assist, in a coordinated manner, the impacted communities. The Army will continue to help partially alleviate the hardships in this process, by continuing to be sensitive to the needs of the workforce at all affected installations. We fully understand the dilemma facing each civilian employee. It has been long-standing Army policy to provide placement assistance and to make all reasonable efforts to continue employment for affected employees.

Army civilian employees who lose their jobs as a result of base realignments or closures are given priority rights to other vacant positions in DoD and in other Federal agencies. They also are given assistance in locating jobs in private industry if they so desire. The Administration's new plan will enhance the assistance given to employees who desire to relocate to new positions outside of DoD. In addition, the plan will look at the community as a whole and provide job training and other aid to rejuvenate the impacted economy.

Mitigation of the impact on affected State and local communities is of paramount importance when base realignments and closures are announced. The very words "base closure" incite the full range of emotions from anger to fear to uncertainty for both Department of Defense personnel and the local community. Rarely does it instill a sense of opportunity. Based on historical experience from previous base closures, however, we know such opportunity indeed exists. This negative perception can and must be turned around but to do so requires an intensive effort by local communities to "market" the possibilities for base redevelopment by other Federal agencies, State and local governments, and most especially the private sector. Many communities have successfully converted former military bases to both public and private enterprise uses. The reuse plan for the Kapalama Military Reservation in Hawaii is an excellent example of military and local officials developing an alternative use for an Army installation affected by BRAC. Outreach conferences, sponsored by the Army and the DoD Office of Economic Adjustment

for BRAC 91 and BRAC 93 affected communities, is another example of the effort to assist local communities impacted by BRAC actions. These conferences have proven to be highly successful. Normally chaired by a member of Congress, they bring together all the key players who will participate in the alternative redevelopment planning for the closing or realigning installation. The July 2, 1993, plan expands the Government assets available to local reuse groups and can foster increased support as the communities finalize the reuse plan for the affected installation.

ENVIRONMENTAL COMPLIANCE AND RESTORATION

One of the five major parts of the President's "5 Part Plan" is fast track cleanup at closing installations. It establishes a Base Realignment and Closure Cleanup Team for each installation where property is available for transfer to the community and empowers the team with the authority, responsibility, and accountability for environmental cleanup programs at these installations. The team will emphasize those actions which are necessary to facilitate reuse and redevelopment.

The Army continues its commitment to compliance with all environmental statutes. We anticipate expending over \$734.3 million in BRAC I, BRAC 91 and BRAC 93 for Army-wide environmental compliance and restoration to comply with existing regulatory laws in executing base closure and realignment recommendations. The Army is continuing studies in accordance with its Installation Restoration Program (IRP) to identify contamination at installations that will be closed. These actions are ongoing for BRAC I, BRAC 91 and BRAC 93 installations. The essential steps of the Army's IRP are:

- Preliminary Assessments/Site Investigations (PA/SI). This step examines existing documentation on an installation for evidence of any handling, treatment, storage or disposal of hazardous materials/wastes. Interviews are held with past employees to supplement documentation, and a visual inspection of the site takes place.

- Remedial Investigation/Feasibility Study (RI/FS). If the PA/SI step concludes that hazardous materials/wastes might have been handled, treated, stored or disposed on the installation, then samples of soil, surface water and ground water will be taken and analyzed to confirm or discount any contamination. If contamination is confirmed, the feasibility study will analyze alternatives for remediating the contamination.

- Record of Decision (ROD). This formal document selects the alternative among those analyzed in the feasibility study as the methodology to remediate the site.

- Remedial Design/Remedial Action. This step performs any design necessary and implements the selected alternative to remediate the site.

- Statement of Condition/Finding of Suitability to Transfer. This document is prepared by the U.S. Army Environmental Center and provides an environmental condition of property that is being considered for disposal.

The Army will ensure that environmental contaminants, either migrating in the ground water or present in the soils, are treated, contained, eliminated, or managed to comply with human health or environmental standards. The Army's cleanup goal is to accomplish land disposal actions with no restrictions based on the property's designated future use.

ENVIRONMENTAL COMPLIANCE AND RESTORATION FOR OCONUS BASES

The Army has developed an OCONUS environmental restoration protocol for application at those sites to be vacated and returned to the host country. There is no base closure account or Defense Environmental Restoration Account to fund OCONUS closures. Consequently, environmental restoration overseas is funded from the Army's Operation and Maintenance Account.

An Environmental Status Report (ESR) is prepared for each installation that is to be turned over to the host nation. The ESR documents the environmental conditions at the installation and is developed from known information, and generally not through new studies. The ESR would also contain a determination of the significance of the environmental impacts associated with the turnover of the installation to the host nation, and whether any further analysis must be prepared in connection with the installation turnover. The ESR would be used by U.S. negotiators during residual value negotiations with the host nation. Negotiations to date have not indicated a need for an alternative environmental document.

The following sections of this testimony provide a status report on the Army's implementation and execution of each of the Base Realignment and Closure (BRAC) initiatives -- BRAC I, BRAC II, BRAC III, BRAC 91 AND BRAC 93.

BASE REALIGNMENT AND CLOSURE I (BRAC I): IMPLEMENTATION STATUS

BRAC I OVERVIEW. This initiative is progressing smoothly and is on-track. The Army is executing the Commission's recommendations, which affected 134 Army installations. Seventy-seven installations, including 53 stand-alone housing sites, are being closed. Seven installations are both losing and gaining activities. Six installations will lose activities, while 44 will gain activities. The Army's program will accomplish all the relocations and closures within the statutory time limit while minimizing costs and maximizing savings.

In terms of actual realignments and closures to date, we have closed 68 sites. The training mission at Fort Dix, New Jersey, has been realigned. We have completed all the environmental analysis documents required to execute the remainder of our initiatives. Sixteen of the closures are assorted Army properties throughout CONUS. The first major installation closed was Fort Sheridan, Illinois, in June 1993. The Presidio of San Francisco and Lexington Depot will close in FY 94. With respect to the 53 stand-alone housing sites, all have been closed, including 13 permitted to other Services. The screening and disposal of land is coordinated with the local reuse groups. This working relationship helps to ensure that the properties identified as excess are cleaned to a level which best meets the local reuse plan. The Army has generated net revenue to date of \$83.2 million for 16 sites. The Navy transferred \$27.8 million in FY 94 to the base closure account for housing units at Fort Sheridan, Illinois, and 3 stand-alone housing sites. Unfortunately, the Congress reduced this amount to \$12.83 million during the FY 94 budget process.

BRAC I FINANCIAL SUMMARY. The financial summary of the Army's BRAC I program is shown at Table 3. One-time implementation costs during the period FY 90-FY 95 total \$1,378.4 million. Savings during the same period, primarily due to elimination of 2,269 military and 3,657 civilian personnel, total \$744.0 million. Proceeds from land sales, shown at Table 6, are anticipated to be \$257.6 million. Savings during FY 94 result primarily from the avoidance of operation and maintenance expenses. Savings also accrue from elimination of military and civilian personnel positions. Our request for FY 95 funding is shown at Table 3. These funds will be split between environmental restoration, and movement of personnel and equipment between locations. This request is approximately \$87.6 million more than the FY 94 budget submission. This request will allow the Army to complete all BRAC I actions in the time period directed by law.

BRAC I ENVIRONMENTAL COMPLIANCE. The President's "Fast Track Cleanup Program" has enhanced the Army's effort in environmental restoration at closing BRAC I installations. The Army is fully committed to compliance with all environmental statutes. We requested and received a total program of \$311.1 million during the FY 94 President's budget process for BRAC I environmental cleanup. We plan to spend an additional \$66.8 million, as reflected in our FY 95 submission.

The Army has complied with the congressional directive to make the BRAC I Base Closure Account the exclusive source of funding for environmental restoration of base realignment and closure properties during the execution period. These dollars are reflected in the current estimate of \$378.0 million for FY 90-95.

Compliance with Section 106 of the National Historic Preservation Act for all BRAC I properties is ongoing. The Army is committed to the preservation and protection of the significant historic and cultural resources that are present at closing installations such as the Presidio of San Francisco, Fort Sheridan, Fort Des Moines and other closing and realigning installations.

BRAC I SUMMARY. The Army will complete all BRAC I initiatives required by law by September 30, 1995.

BASE REALIGNMENT AND CLOSURE I (BRAC I): IMPLEMENTATION STATUS

BRAC II OVERVIEW: On January 29, 1990, the Secretary of Defense announced a set of proposals that affected the Army's force structure and its base structure. This announcement with adjustments is shown at Table 1.

BRAC II STATUS. The requirements of Desert Storm caused a revaluation and delay of selected force structure reductions announced in January 1990. Public Law 101-510 also made it necessary for the Army to discontinue studies for several of the BRAC II closure and realignment proposals because they exceeded the Title 10 U.S.C. 2687 thresholds.

The remainder of the BRAC II initiatives listed in Table 1 are completed or are being executed. The Army is financing these initiatives from its operating funds since no special funding account exists for BRAC II. The Army, to date, has completed: the inactivation of the 2nd Armored Division, Fort Hood, Texas; the inactivation of the 9th Infantry Division (Motorized), Fort

Lewis, Washington; the inactivation of the 194th Separate Armored Brigade, Fort Knox, Kentucky; inactivation of the 4th U.S. Army, Fort Sheridan, Illinois; and inactivation of the Mississippi Army Ammunition Plant (AAP), Picayune, Mississippi. Layaway of the Sunflower AAP, Indiana AAP, and Kansas AAP have begun. Layaway of three additional ammunition plants: Louisiana, Scranton and Longhorn, will begin in FY 94. The BRAC II proposal to terminate tank production at the Detroit and Lima Army Tank Plants has been modified. Upon layaway of assembly operations at the Detroit Plant, the Government's prime contractor for the Abrams tank, made the management decision to manufacture the 36 prime component parts at the Detroit Plant. This action has been completed. Foreign Military Sales (FMS) could extend tank production at Lima if any quantities ordered support an economic production rate.

BASE REALIGNMENT AND CLOSURE III - OCONUS (BRAC III) IMPLEMENTATION STATUS

Status of Overseas Reductions. As previously stated, the Secretary of Defense announced BRAC III, Round One, on September 18, 1990. To date, 13 rounds of BRAC III have been publicly announced. Rounds 1-13 involve 573 Army sites in nine countries for full or partial return.

On January 14, 1993, OSD announced that all U.S. military forces will be withdrawn from the Republic of Panama and all facilities will be transferred to the Government of Panama by December 31, 1999. To date, 13 sites in Panama have been announced for closure.

The total number of overseas sites that have been announced for closure is 586. As of December 31, 1993, 407 overseas, U.S. Army sites have been returned to host nations. Table 2 shows the total number of sites, by country, that were announced for return. Additional announcements are anticipated for 1994 and subsequent years until the base structure matches the residual force structure.

Within U.S. Army Europe (USAREUR), over 80 million square feet (MSF) of the total 190 MSF of facilities to be returned to host nations have already been turned back to the various host nations. This is equivalent to disposing of all facilities at Forts Hood, Bragg, Benning and Stewart. Return of the remaining 110 MSF to host nations would be the equivalent of closing all facilities at Forts Lewis, Knox, Leonard Wood, Campbell, Bliss, and Carson and Redstone Arsenal. BRAC III is a principle vehicle for the Army's effort to reduce unneeded OCONUS infrastructure to balance base requirements to force structure. Our efforts in the BRAC III process to move OCONUS force structure and personnel to

CONUS bases limited the requirements to reduce the CONUS base infrastructure through the base closure commission process. Our CONUS based force in 1991 composed approximately 58% of the total force; however, with minimum growth, the CONUS force will comprise approximately 78% of the total force in 1999.

PROCESS. Unified commanders nominate overseas sites for return or partial return to host nations. Nominations are then reviewed by the Joint Staff, various DoD components, the National Security Council and the State Department. Following SECDEF approval, notification is made to Congress, host governments and the media. When the Army ends its operations, the entire installation is vacated and returned to the control of the host nation. When we reduce operations, some of the facilities on installations are retained by the Army. Commanders will continue to reduce the overseas base structure as future core requirements are identified and force levels decline.

Two areas of particular interest with regard to our overseas closures continue to be residual value and environmental concerns.

RESIDUAL VALUE. The supplemental agreements to the NATO Status of Forces Agreement (SOFA) with Germany allow the U.S. to claim reimbursement for the value of investments made in construction or capital improvements to host nation furnished facilities. The current value of U.S. funded improvements is determined by appreciating the original U.S. investment for inflation, and depreciation for age and condition. Residual value is a result of the negotiation process between the U.S. and a host nation government. Actual settlement amounts depend upon the results of the negotiations. German negotiations continue to move slowly due to the large number of troops from other nations which are also leaving. The focus of the German government at this time is the removal of Russian forces, a costly undertaking for Germany which also affects their ability to meet residual value reimbursement obligations.

Army strategy remains unchanged. Cash compensation is first priority with in-kind military construction second and in-kind real property maintenance third. This strategy has worked well for us this year. Acceptance of in-kind projects against future residual value settlements was received favorably by the Germans, as evidenced by the funding of \$110 million this year.

In Korea, the SOFA between the Korean government and the U.S. does not provide for the payment of residual value. However, we can turn facilities over in as is condition.

In Panama, neither side currently expects money to exchange hands because of the Panama Canal Treaty.

It must be pointed out that in Germany, Korea and Panama, the host nation owns the land and they lease this land to the U.S. rent free. Any appreciation of the land value is not included in residual value negotiations.

ENVIRONMENTAL POLICY. The Army has an environmental policy for our overseas installations. As a foundation, this policy uses the provisions of Executive Order 12114, which reflects the U.S. Government's policy on environmental actions abroad. Our goal is to leave a good environmental footprint when we close our overseas installations. However, we do not plan to execute cleanup actions solely for the purpose of turnover. In Germany, the cost for cleanup of known environmental problems will be considered in the residual value negotiations. Known environmental problems have been documented and we will continue to remove all toxic and hazardous wastes as well as clean up Category 1 actions, such as oil spills and leaking underground storage tanks. In Korea, we will do the same. The SOFA with Korea contains no language as to responsibility for environmental cleanup.

BASE REALIGNMENT AND CLOSURE 91 (BRAC 91) IMPLEMENTATION STATUS

The National Defense Authorization Act of 1991 (PL 101-510) established a new process for the DoD to submit a list of recommended CONUS base closures and realignments. This law established a series of three Commissions to meet in FY 91, FY 93, and FY 95. DoD will submit to these Commissions, accompanied with a force structure plan, a listing of proposed realignments and closures. As specified in that law, the lists have to be justified in terms of the approved selection criteria and the Joint Chiefs of Staff Force Structure Plan submitted as an enclosure to that FY DoD Budget. The Commission evaluates DoD's submission and forwards their recommendations to the President, who, after approval, forwards the report to the Congress.

This new process had no affect on BRAC I closures or those BRAC II initiatives that did not trip the Title 10 U.S.C. 2687 thresholds. Additionally, this legislation had no affect on the overseas base realignments and closures (BRAC III) process the Department is currently executing.

BRAC 91 OVERVIEW. The Army is currently in the third year of execution. During FY 94, the Army will focus on three areas: completion of appropriate environmental documentation; award of approximately 50% of military construction requirements; and realignment of military units to gaining installations. No military end strength reductions are shown in the BRAC 91 plan.

Those savings are shown in the Army's end strength reductions programmed through FY 95. Savings from Defense Management Review Decisions are included in the various packages. Those savings have already been withdrawn from the Army's program. No actions programmed in FY 94 will have an adverse impact on the missions of the affected units. BRAC 91 actions will be executed with no adverse impact on BRAC I actions. To date, the Army has awarded all of its BRAC 91, FY 92 and FY 93 MILCON program and environmental restoration contracts. The movement of major Army units has been completed in the Fort Ord and Fort Polk packages. Slippage of some FY 95 unit moves may occur.

BRAC 91 FINANCIAL SUMMARY. The financial summary of the Army's BRAC 91 program is shown at Table 4. One time implementation costs during the period FY 92-FY 97 total \$1,596.3 million. Savings during the same period are \$1,181.2 million, primarily due to the elimination of 5,648 civilian positions and reduced operating costs of installations being realigned or closed. Proceeds from land sales are anticipated to be \$380.8 million. This reflects a two-phase adjustment to the revenues. A \$465.0 million reduction caused by the loss of all anticipated land revenues at Fort Ord, Fort Dix and Harry Diamond Lab, Woodbridge, Virginia. In addition, Fort Benjamin Harrison revenues were reduced by \$35.0 million due to a revision in the local reuse plan. The second adjustment resulted from OSD guidance to use BRAC I, FY 95 anticipated land revenues as a source of funds for BRAC 91 in FY 95. It should be noted that approximately \$1.1 billion of savings in BRAC 91 from FY 92-FY 97 are the results of Defense Management Review Decisions (DMRDS). Recurring savings are estimated to be \$303.8 million starting in FY 98.

BRAC 91 ENVIRONMENTAL COMPLIANCE. The Army is fully committed to compliance with all environmental statutes and meeting the requirements of the President's fast track cleanup program. The Army will ensure that environmental contamination either migrating into the ground water or present in the soils will be treated and all other contaminants managed to acceptable human health or environmental standards. The Army's cleanup goal is to accomplish land disposal actions as quickly as possible, with no restrictions on the property's future planned use.

We will also determine if potential non-Army future use exists that are complimentary and compatible with existing lands. Where appropriate, these properties may be disposed of with restrictions placed on their future use. Such a disposal will

not take place where an unacceptable human health or environmental hazard would exist. A final decision will be made only after existing environmental conditions have been assessed in an Environmental Baseline Survey which considers contamination, endangered species, cultural resources, and other environmental issues. These are the same procedures used in the BRAC I process and found to be effective in the identification of environmental restoration requirements.

BRAC 91 SUMMARY. The Army's FY 95 Budget request is reflected at Table 4. By the end of FY 94, the Army will have accomplished the initial environmental analysis baseline requirements of the National Environmental Policy Act (NEPA) and finalized the planning and design of all FY 95 military construction projects. Execution plans will be distributed to guide the Army Major Commands through the various stages of the BRAC 91 execution process.

BASE REALIGNMENT AND CLOSURE 93 (BRAC 93) STATUS

Public Law 101-510 required DoD to submit three lists of recommended CONUS base realignments and closures. The second round of recommendations has been approved by the Congress. The results of this Commission's work are known as BRAC 93 within DoD.

BRAC 93 OVERVIEW. Following are the congressionally approved BRAC 93 recommendations which are in the first year of execution:

CLOSE VINT HILL FARMS STATION, VIRGINIA. Realign the maintenance and repair function of the Intelligence Materiel Management Center (IMMC) to Tobyhanna Depot, Pennsylvania. Realign the remaining elements of IMMC, the Electronic Warfare Directorate (formerly the Signal Warfare Directorate), and the Program Executive Officer (PEO) for Intelligence and Electronic Warfare (IEW) to Fort Monmouth, New Jersey.

REALIGN TOOEELE ARMY DEPOT (TEAD), UTAH, TO A DEPOT ACTIVITY UNDER THE COMMAND AND CONTROL OF RED RIVER ARMY DEPOT (RRAD), TEXAS. Retain the conventional ammunition and chemical demilitarization mission. Realign the maintenance functions and associated workload to Tobyhanna and Red River Depots. The portion of the depot not associated with the remaining mission will be inactivated, transferred, or eliminated, as appropriate. Realign remaining supplies from Pueblo Depot Activity to other depots, in lieu of Tooele Army Depot, as previously directed by the 1988 Commission.

DISESTABLISH THE BELVOIR RESEARCH DEVELOPMENT, AND ENGINEERING CENTER (BRDEC), VIRGINIA. Realign the supply, bridging, counter mobility, water purification, and fuel/lubricant business areas to Detroit Arsenal, Michigan. Transfer command and control of the physical security, battlefield deception, electric power, remote mine detection/neutralization, environmental controls, and low cost/low observable business areas to the Night Vision Electro-optics Directorate of the Communication and Electronics Research Development, and Engineering Center (CERDEC), Fort Belvoir, Virginia. Eliminate the tunnel detection, materials, marine craft, topographic equipment, construction equipment, and support equipment business areas.

REALIGN THE COMMUNICATIONS AND ELECTRONICS COMMAND (CECOM) HEADQUARTERS FROM THE CURRENT LEASED SPACE TO SPACE AVAILABLE ON FORT MONMOUTH, NEW JERSEY. Terminate the lease for the space currently occupied by CECOM and move CECOM Headquarters into space on Fort Monmouth vacated by the 513th Military Intelligence Brigade and The Chaplain School, or other suitable space as appropriate. Realign The Chaplain School in coordination with TRADOC from Fort Monmouth to Fort Jackson, South Carolina. Dispose of excess properties and facilities at the Main Post, and the Evans and Charles Woods Subposts.

LETTERKENNY ARMY DEPOT (LEAD), PENNSYLVANIA WILL REMAIN OPEN. Consolidate the Tri-Service Tactical Missile Maintenance at the Depot as originally planned by the DoD in the Tactical Missile Maintenance Consolidation Plan for Letterkenny Army Depot, January 31, 1992 (revised on April 30, 1992). In addition, realign the tactical missile maintenance workload from the Marine Corps Logistics Base, Barstow, California, to Letterkenny Army Depot. Retain artillery workload at Letterkenny, along with the conventional ammunition storage mission and the TMDE mission. Retain SIMA-E and the Information Processing Center at LEAD until the Defense Information Systems Agency (DISA) review is completed under DMRD 918.

HEADQUARTERS, SIXTH, U.S. ARMY. Changes the 1988 DoD BRAC Commission recommendation on the Presidio of San Francisco to allow only the Sixth U.S. Army Headquarters to remain at the Presidio of San Francisco, California. The Defense Commissary Agency and the Army and Air Force Exchange System will determine the commissary and exchange requirements to support Sixth U.S. Army Headquarters based on sound business decisions.

BRAC 93 FINANCIAL SUMMARY. The financial summary of the Army's BRAC 93 Program and request for FY 95 funding is shown at Table 5. One time implementation costs during the period FY 94-FY 99 total \$322.2 million. Savings during the same period, primarily due to elimination of 1,052 civilian personnel, total \$151.4 million. There are no anticipated land revenues projected

in BRAC 93. Savings during FY 94 result primarily from the avoidance of operation and maintenance expenses. Savings also accrue from elimination of civilian personnel positions. The FY 95 request will allow the Army to complete all BRAC 93 actions in the time period directed by law. The program has sufficient funding to meet the President's Community Reinvestment Program goals.

BRAC 93 ENVIRONMENTAL COMPLIANCE. The President's "Fast Track Cleanup Program" has enhanced the Army's effort in environmental restoration at closing and realigning BRAC 93 installations. The Army is fully committed to compliance with all environmental statutes. We programmed \$42.4 million in the FY 95 President's Budget for BRAC 93 environmental cleanup.

The Army has complied with the congressional directive to make the BRAC 93 base closure account the exclusive source of funding for environmental restoration of base realignment and closure properties during the execution period. These dollars are reflected in the current estimate for FY 94-FY 99.

Compliance with Section 106 of the National Historic Preservation Act for BRAC 93 properties is ongoing. The Army is committed to the preservation and protection of the significant historic and cultural resources at BRAC 93 installations.

BRAC 93 SUMMARY. BRAC 93 will be the first round of the base closure process to be fully implemented under the President's Community Reinvestment Program. The Army has made every effort to ensure that its program is the model for DoD. By the end of FY 94, the Army will have completed all the planning and design for the BRAC 93 MILCON program and started construction of the Missile Maintenance Facility at Letterkenny Army Depot.

SUMMARY

The Army continues to execute all initiatives of the BRAC process, as directed by PL 100-526 (BRAC I), the January 29, 1990 SECDEF decision (BRAC II), OCONUS troop reductions (BRAC III) or currently called RETIRE-EUR/FUTURE-EUR and Round One (BRAC 91) and Round Two (BRAC 93) OF PL 100-510. We view these initiatives as an opportunity to achieve economic efficiencies and improve our operational effectiveness. We have taken great strides in this area in our OCONUS bases and will continue to do so in the remainder of FY 94 and follow on years. The BRAC process established by PL 100-526 and PL 101-510 allows the Army to reduce the excess basing structure created by the reduced force structure in CONUS. However, the Army's primary focus for both

force structure reduction and the associated infrastructure has been in the overseas theaters. The Army has taken 60% of its force structure reduction outside of CONUS. Approximately 149,000 of the total 221,000 troop reduction has been overseas. The remainder has been in CONUS and the Army has approved plans to reduce the appropriate amount of infrastructure. Fiscal realities are requiring a reshaping of the Army. We are attempting to do this in a manner which will minimize the impact on soldiers, civilian employees and communities affected by the various base closure and realignment actions. The Army will continue to work with local communities to structure a redevelopment plan for the bases impacted by various BRAC actions. When the CONUS actions are completed, the Army will have a CONUS basing structure which can provide the power projection platforms necessary to deploy the United States Army around the world to meet global conflicts.

Mr. Chairman, this concludes my statement. Thank you.

TABLE 1

BRAC II - FORCE STRUCTURE & BASE REALIGNMENTS IMPLEMENTATION SCHEDULE

<u>IMPLEMENTATION ACTION</u>	<u>FISCAL YEAR*</u>
Reduce Active Army**	90-94
Reduce Reserve Components	90-94
<u>Inactivate 2d Armored Division</u>	90-91
<u>Downsize 194th Armored Brigade</u>	90
<u>Downsize 9th Infantry Division (Mtz)</u>	90-91
<u>Relocate 7th Infantry Division and Close Fort Ord</u>	92-93
<u>Layaway Mississippi Army Ammunition Plant</u>	90-91
<u>Layaway Indiana Army Ammunition Plant</u>	93
<u>Cease Workload at and lease Kansas AAP</u>	93
<u>Layaway Louisiana AAP and Scranton AAP</u>	94
<u>Layaway Sunflower AAP</u>	92
<u>Layaway Longhorn AAP</u>	93
<u>Partial Inactivation Tank Production at Detroit ATP***</u>	91
<u>Partial Inactivation Tank Production at Lima ATP***</u>	95
<u>Realign Supply Function at Red River AB</u>	90-93
<u>Close Fort McClellan</u>	93
<u>Warm Base Fort Gillem</u>	92
<u>Inactivate HQ, 4th Army</u>	92
<u>Close Sacramento AB</u>	92-93
<u>Eliminate Troop Support Command</u>	92-93
<u>Convert Health Services Command</u>	92-93
<u>Inactivate 1st Region, CIDC</u>	91
Reorganize AMC Headquarters	91-95
Reorganize DESCOM Headquarters	91-95
Streamline AMC Management Engineering Activity	91-95
Streamline Information Systems Command	91-95

* Subject to proposals being approved following completion of required analyses and notification to Congress under TITLE 10 U.S.C. 2687, if appropriate

** Partially satisfied by actions outlined below.

***These proposals have been modified to permit some work to continue beyond the implementation period.

NOTE: ¹ Underlined proposals have been executed.

² Overstruck proposals were rescinded in accordance with the Defense Base Closure and Realignment Act of 1990.

TABLE 2

BRAC III SUMMARYAFFECTED AREAS INCLUDE SITES IN
THE FOLLOWING COUNTRIES

COUNTRY/ ROUND	BELGIUM	FRANCE	GERMANY	GREECE	ITALY	KOREA	NTRLANDS	TURKEY	UNITED KINGDOM	PANAMA	TOTAL
ROUND 1 18-Sep-90			99	2		12					113
ROUND 2 12-Apr-91			12								12
ROUND 3 12-Apr-91			13						2		15
ROUND 4 30-Jul-91			38				1				39
ROUND 5 12-Nov-91			81		1		1		1		84
ROUND 6 30-Jan-92			78				1				79
ROUND 7 23-May-92			23	2	3	5	1	5	2		41
ROUND 8 13-Aug-92	1	21	24			1	1	1			49
ROUND 9 12-Dec-92			15								15
OSD RELEASE 14-Jan-93										13	13
ROUND 10 12-Mar-93			13								13
ROUND 11 7-May-93			15			9					24
ROUND 12 1-Jul-93			81			2					83
ROUND 13 22-Oct-93			6								6
TOTAL	1	21	498	4	4	29	5	6	5	13	586

NOTE: ON 14 JAN 94 OSD ANNOUNCED IT WILL REMOVE THE UNITED STATES MILITARY PRESENCE IN PANAMA TO COMPLY WITH THE PANAMA CANAL TREATY.

TABLE 3
BASE REALIGNMENT AND CLOSURE I
FINANCIAL SUMMARY
ARMY SUMMARY
(DOLLARS IN MILLIONS)

	FY 1989	FY 1990	FY 1991	FY 1992	FY 1993	FY 1994	FY 1995	TOTAL FY 89-95
ONE-TIME IMPLEMENTATION COSTS:								
Military Construction	0.000	121.260	152.360	200.654	136.800	12.830	0.000	623.904
Family Housing	0.000	0.000	0.051	0.600	0.100	0.000	0.000	0.751
Construction	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Operations	0.000	0.000	0.051	0.600	0.100	0.000	0.000	0.751
Environmental	0.000	0.000	108.540	121.744	80.869	0.000	68.800	377.953
Operation and Maintenance	0.000	33.487	130.469	50.510	78.379	16.030	20.800	331.675
Military Personnel-PCS	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Other	0.000	12.054	8.940	7.512	15.580	0.000	0.000	44.086
TOTAL ONE-TIME COSTS	0.000	166.801	400.360	361.020	311.728	30.860	87.600	1,378.369
Estimated Land Revenue	0.000	0.000	(3.879)	(1.942)	(58.928)	(16.030)	(174.800)	(257.579)
Budget Request	0.000	166.801	396.481	379.078	252.800	12.830	87.600	1,295.590
FUNDED OUTSIDE OF THE ACCOUNT:								
Military Construction	13.713	0.000	0.000	0.000	0.000	0.000	0.000	13.713
Family Housing	2.528	0.000	0.000	0.000	0.000	0.000	0.000	2.528
Construction	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Operations	2.528	0.000	0.000	0.000	0.000	0.000	0.000	2.528
Environmental	5.290	16.875	0.000	0.000	0.000	0.000	0.000	21.965
Operation and Maintenance	17.376	0.000	0.040	1.915	19.365	20.200	0.000	58.716
Other	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Homeowners Assistance Program	0.000	0.066	0.054	0.032	0.000	0.000	0.000	0.152
TOTAL OUTSIDE THE ACCOUNT	36.907	16.741	0.094	1.947	19.365	20.200	0.000	97.074
SAVINGS:								
Military Construction	23.000	9.200	15.300	19.300	19.400	19.400	19.400	125.000
Family Housing	0.000	0.000	15.033	17.257	18.683	44.259	40.137	135.369
Construction	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Operations	0.000	0.000	15.033	17.257	18.683	44.259	40.137	135.369
Operation and Maintenance	0.000	1.556	3.576	4.341	20.735	89.312	122.403	241.923
Military Personnel-PCS	0.000	(0.538)	0.868	15.403	60.969	87.346	77.671	241.719
Other	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Civilian ES	0.000	0.000	(0.020)	(0.027)	(1.474)	(2.902)	(3.371)	(3.371)
Military ES	0.000	0.000	(0.145)	(0.975)	(1.644)	(2.075)	(2.201)	(2.201)
TOTAL SAVINGS:	23.000	10.216	34.777	58.301	119.787	240.317	259.611	744.011
NET IMPLEMENTATION COSTS:								
Military Construction	(9.267)	112.060	137.060	161.354	117.400	(6.570)	(19.400)	512.617
Family Housing	2.528	0.000	(14.982)	(16.657)	(18.583)	(44.259)	(40.137)	(132.090)
Construction	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Operations	2.528	0.000	(14.982)	(16.657)	(18.583)	(44.259)	(40.137)	(132.090)
Environment	5.290	16.675	108.540	121.744	80.869	0.000	86.800	399.918
Operation and Maintenance	17.376	31.931	126.933	48.084	57.644	(51.082)	(101.603)	128.187
Military Personnel-PCS	0.000	0.538	(0.868)	(15.403)	(60.969)	(87.346)	(77.671)	(241.719)
Other	0.000	12.054	8.940	7.512	15.580	0.000	0.000	44.086
Homeowners Assistance Program	0.000	0.066	0.054	0.032	0.000	0.000	0.000	0.152
Revenues From Land Sales (-)	0.000	0.000	(3.879)	(1.942)	(58.928)	(16.030)	(174.800)	(257.579)
NET IMPLEMENTATION COSTS	15.907	173.324	361.798	324.724	133.013	(207.287)	(348.811)	454.668
Less Estimated Land Revenues								

Note: The Army is requesting transfer of the FY95 anticipated land revenues to the BRAC 91 account to fund BRAC 91, FY95 program requirements.

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TABLE 4
BASE REALIGNMENT AND CLOSURE 91
ARMY FINANCIAL SUMMARY
(DOLLARS IN MILLIONS)

	FY 1992	FY 1993	FY 1994	FY 1995
<u>ONE-TIME IMPLEMENTATION COSTS:</u>				
Military Construction	23.600	138.810	288.700	64.000
Family Housing	0.000	1.049	1.954	0.649
Construction	0.000	0.000	0.000	0.000
Operations	0.000	1.049	1.954	0.649
Environment	35.700	50.000	51.392	43.200
Operations and Maintenance	0.000	149.077	120.409	149.895
Military Personnel	0.000	0.000	0.000	0.000
Other	0.000	21.864	11.494	31.455
TOTAL ONE-TIME COSTS	59.300	360.800	473.949	289.200
Revenues From Land Sales (-) See *1	0.000	0.000	0.000	(174.800)
Budget Request	59.300	360.800	473.949	114.400
<u>FUNDING OUTSIDE THE ACCOUNT:</u>				
Military Construction	7.477	0.000	0.000	0.000
Family Housing	0.000	0.160	0.000	0.000
Construction	0.000	0.000	0.000	0.000
Operations	0.000	0.160	0.000	0.000
Environmental	0.000	0.000	0.000	0.000
Operations and Maintenance	44.728	10.335	0.000	0.000
Other	4.139	0.000	0.000	0.000
Homeowners Assistance Program	0.131	0.050	9.441	24.964
TOTAL OUTSIDE THE ACCOUNT	56.475	10.545	9.441	24.964
<u>SAVINGS:</u>				
Military Construction	0.000	0.000	0.000	0.000
Family Housing	0.000	0.000	0.000	0.000
Construction	0.000	0.000	0.000	0.000
Operations	0.000	0.000	0.000	0.000
Operations and Maintenance	55.068	105.463	198.934	241.312
Military Personnel	0.000	0.000	0.000	0.000
Other	0.000	0.000	0.000	0.000
Civilian ES	(1.357)	(2.296)	(4.180)	(4.704)
Military ES	0.000	0.000	0.000	0.000
TOTAL SAVINGS	55.068	105.463	198.934	241.312
<u>NET IMPLEMENTATION COSTS:</u>				
Military Construction	31.077	138.810	288.700	64.000
Family Housing	0.000	1.209	1.954	0.649
Construction	0.000	0.000	0.000	0.000
Operations	0.000	1.209	1.954	0.649
Environment	35.700	50.000	51.392	43.200
Operations and Maintenance	(10.340)	53.949	(78.626)	(91.417)
Military Personnel	0.000	0.000	0.000	0.000
Other	4.139	21.884	11.494	31.456
Homeowners Assistance Program	0.131	0.060	9.441	24.964
Revenues From Land Sales (-)	0.000	0.000	0.000	(174.800)
NET IMPLEMENTATION COSTS	60.707	265.882	284.456	(101.946)
LESS LAND REVENUES				

*1 \$174.800 million in FY95 land revenues reflects anticipated receipt and transfer of BRAC I revenues and assumes passage of proposed enabling legislation.

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**TABLE 5
BASE REALIGNMENT AND CLOSURE 93
FINANCIAL SUMMARY
ARMY FINANCIAL SUMMARY
(DOLLARS IN MILLIONS)**

	<u>FY 1993</u>	<u>FY 1994</u>	<u>FY 1995</u>
<u>ONE-TIME IMPLEMENTATION COSTS:</u>			
Military Construction	0.000	11.200	70.800
Family Housing	0.000	0.975	0.000
Construction	0.000	0.000	0.000
Operations	0.000	0.975	0.000
Environment	0.000	3.800	11.300
Operations and Maintenance	0.000	15.603	20.639
Military Personnel	0.000	0.000	0.000
Other	0.000	3.419	11.061
TOTAL ONE-TIME COSTS	0.000	35.000	113.800
Revenues From Land Sales	0.000	0.000	0.000
Budget Request	0.000	35.000	113.800
<u>FUNDING OUTSIDE THE ACCOUNT:</u>			
Military Construction	0.000	0.000	0.000
Family Housing	0.000	0.000	0.000
Construction	0.000	0.000	0.000
Operations	0.000	0.000	0.000
Environmental	0.000	0.000	0.000
Operations and Maintenance	2.387	0.000	0.000
Other	0.000	0.000	0.000
Homeowners Assistance Program	0.002	0.039	0.014
TOTAL OUTSIDE THE ACCOUNT	2.389	0.039	0.014
<u>SAVINGS:</u>			
Military Construction	0.000	12.750	0.000
Family Housing	0.000	-1.282	-5.280
Construction	0.000	0.000	0.000
Operations	0.000	-1.282	-5.280
Operations and Maintenance	0.000	-0.572	3.684
Military Personnel	0.000	0.000	0.000
Other	0.000	0.000	0.000
Civilian ES	0	0	(136)
Military ES	0	0	0
TOTAL SAVINGS	0.000	10.896	-1.596
<u>NET IMPLEMENTATION COSTS:</u>			
Military Construction	0.000	-1.550	70.800
Family Housing	0.000	2.260	5.280
Construction	0.000	0.000	0.000
Operations	0.000	2.260	5.280
Environment	0.000	3.800	11.300
Operations and Maintenance	2.387	16.175	16.955
Military Personnel	0.000	0.000	0.000
Other	0.002	3.419	11.061
Homeowners Assistance Program	0.000	0.039	0.014
Revenues From Land Sales (-)	0.000	0.000	0.000
NET IMPLEMENTATION COSTS	2.389	24.143	115.410
LESS LAND REVENUES			

STATEMENT OF BG ROBERT HERNDON, ACSIM

General HERNDON. Mr. Chairman and Members of the committee, I am Brigadier General Bob Herndon. I serve as Director of Facilities and Housing in the Office of the Assistant Chief of Staff for Installation Management.

The fiscal year 1995 budget request is just under \$2 billion. Military construction this year is \$690 million, and Army family housing construction and operation and maintenance is an additional \$1.3 billion.

As you know, the Army is in a period of change. We are reducing our size, changing the force structure, moving back from overseas, while we are continuing to realign and close installations in the United States.

By the end of 1994, the U.S. Army in Europe alone will have closed 134 million square feet, which is the equivalent of closing all the permanent facilities at Fort Bragg, Hood, Benning, Stewart, Lewis, Knox, and Leonard Wood.

By the end state in 1999, USAREUR will have closed a total of 190 square feet, the equivalent of adding Forts Campbell, Bliss, Carson and Redstone Arsenal to the above list.

Although we are decreasing the size of our force, we must continue to invest in the future and transform our remaining U.S. installations into power projection platforms that can respond to requirements anywhere in the world with little advance notice.

Even my own office has changed. The Chief of Staff of the Army recognized the importance that Army installations play in the readiness of America's Army and created a central office for all installation matters. Within this office, I oversee the Army's facilities and housing. We also have overview of the Army's environmental program, the base operations, including the real property management account, base realignment and closure program, and community and family support programs.

The primary goal of the Assistant Chief of Staff for Installation Management is to balance the resources within all these important programs to ensure that the Army achieves maximum readiness, and installation commanders have maximum flexibility to achieve this state of readiness.

Now let me spend a few minutes discussing a couple of highlights of the Army's construction budget. The first is our major initiative for strategic mobility through improvements to our installations.

This year we are requesting \$45 million for five projects at four locations to construct or modernize facilities, or for port dredging required for future mobilization. We must have ready access to reliable rail, sea and air transportation to enhance the power projection capabilities of the Army.

The improvements funded by this year's program will help us construct a strategic mobility system that will allow us to rapidly deploy anywhere in the world.

Finally, I would like to highlight our program to improve the living environment of our soldiers and their families through our whole barracks renewal program and the whole neighborhood revitalization program. These programs to revitalize the living condi-

tions of existing barracks or build new facilities and improve or replace family housing will go a long way to improving the overall quality of life of our single soldiers and military families living on our installations.

Quality housing is a major factor in retention of our outstanding soldiers and, thus, has a direct relationship to the readiness of the Army. Last year you approved \$277 million for the whole barracks renewal program. This year, we are requesting a little more than \$200 million at eight installations.

The fiscal year 1995 family housing budget request will provide whole neighborhood revitalization for over 600 family housing units and will construct 989 units where it is more economical to replace versus renovate the current housing.

Your continued support of these programs is appreciated by all our soldiers and families.

Sir, this concludes my comments. I will be followed by General Bilo, the Deputy Director of the Army National Guard.

STATEMENT OF BG WILLIAM BILO, DEPUTY DIRECTOR, ARMY NATIONAL GUARD

General BILO. Mr. Chairman, distinguished Members of this subcommittee, I am Brigadier General Bill Bilo, Deputy Director of the Army National Guard. It is a pleasure to appear before you as a witness for the first time today. I wish to present to you the Army National Guard's military construction program for fiscal year 1995.

The Army National Guard is America's community-based dual-use response force. The constitutional reserve of the Nation, an integral part of the first-line defense of the United States by statute, a trained and ready citizen Army with more than 400,000 soldiers and 3,000 units in 2700 communities nationwide, we are bringing the American people grassroots support for our Nation's great endeavors.

The Guard is a capable force with demonstrated combat support and combat service support performance from the Pequot War of 1637 to the Gulf War of 1990-1991. The Guard is an accessible force, available to both national and State authorities for all foreign and domestic missions. Examples of this accessibility include three missions we are now performing in Somalia and the all component battalion for the multinational force of observers now being formed, for which we will provide 71 percent of the soldiers.

The Guard is an expansible force. Five times in this century we have used the National Guard as a framework on which to build a larger land force to meet a growing threat. The Guard serves as an insurance against an unknown future. The Guard is affordable. We provide whatever the combat power of America's Army, a third of its combat service and a third of its combat service support for a tenth of the Army's budget.

If a capability is not needed on active duty, the Guard can provide for as little as a quarter of the cost of the equivalent active capability. In a speech at West Point in May of 1993, President Clinton said to the cadets, "You will be called upon many ways in this new era to keep the peace, to relieve suffering, to help teach

officers from new democracies in the ways of a democratic army, and still to win wars."

In keeping with this, the Guard is accomplishing many new missions and take on new responsibilities in addition to its historic and domestic roles.

We have a higher degree of readiness than we ever had before. The support of our communities, the support of the active Army and the resources supplied by Congress have made this possible. To keep our citizen soldiers ready, the most critical element is training time, which means we must minimize distractions.

Additional travel time to training sites, additional maintenance time on equipment, additional time caused by working around unsafe, clumsy, obsolete facilities. We have an obligation to provide safe, cost-effective and mission-effective facilities for our soldiers, modern facilities, enhanced training, maintenance, administration and stewardship of the taxpayers' assets. They are necessary for the levels of readiness that the American people demand of us.

Our 1995 budget request is \$9.9 million. This includes \$2 million for one major construction project, .8 million for storage facilities, .8 million for in-door range rehabilitations, \$5 million for unspecified minor construction and \$1 million for planning and design.

Mr. Chairman, the Army National Guard will continue to manage prudently our existing facilities despite the challenges of age and shrinking real property support funding. We are committed to executing the programs you authorize as expeditiously as possible.

The facilities built during the last decade have played major roles in accomplishing quality training, maintaining readiness and improving soldier quality of life. Our ability to meet the new challenges in the post-Cold War world has been made possible by resources made available by the Army and by Congress.

Today's challenges are not insurmountable. We will continue to provide the best facilities possible with the resources made available. With your support, the Army National Guard will continue to be a more valuable and more cost-effective force for the defense of the Nation, State and community. We look forward to the challenge.

On behalf of the soldiers, Army National Guard, I wish to express our appreciation for the efforts of this subcommittee and the support you have always given us.

This concludes my prepared statement. I will be followed by Brigadier General Tom Kilmartin, representing the U.S. Army Reserve.

Mr. HEFNER. I guess you are aware that that your request represents a reduction of 97 percent from what we appropriated last year. That is a pretty hefty cut. And we consider the \$9.9 million, to be for just one project. So you have got actually one project in this year's request.

General BILO. Yes, sir.

Mr. HEFNER. I would like that to be noted for the record. We are going to get to all the percentages a little bit later.

General Kilmartin.

STATEMENT OF BG THOMAS KILMARTIN, DEPUTY CHIEF, ARMY RESERVE

General KILMARTIN. Mr. Chairman and Members of the committee, I am Brigadier General Thomas Kilmartin, Deputy Chief of the Army Reserve. I am honored to be here again this year representing more than 700,000 citizen soldiers of the Army Reserve to present our military construction budget program for fiscal year 1995.

Our fiscal year 1995 program requests funding for planning, design and minor construction. This minimum budget provides for a one-year priority investment program to support the downsizing and reshaping of America's Army.

Forty-five percent of the Army Reserve's 2144 buildings are inadequate. And the Army Reserve currently has a \$2 billion backlog of new construction requirements, notwithstanding the base closing reductions and decreasing selected reserve in strength. Obsolete and deteriorating facilities must be replaced because inadequate facilities are essential to readiness.

Our 1995 request, the total fiscal year 1995 request is for the appropriation of \$7.9 million for unspecified minor construction, for urgent funding for facilities and unforeseen mission requirements and for planning and design for future year construction projects.

The average age of our facilities is about 30 years. The Army Reserve plant replacement value is a significant capital investment, and along with this investment the backlog of maintenance and repair is accumulating annually.

A new mission for the Army Reserve is the transfer of four installations from the active Army to the Army Reserve. We must greatly improve the quality of life and barracks revitalization and renewal program for these newly acquired installations so that they will remain world-class power projection platforms for response to contingency force package missions and training posts.

In conclusion, the men and women of a properly resourced Army Reserve will continue to excel and be among this Nation's valuable assets.

As always, we are grateful to the Congress for the support it has given and continues to give to the Army Reserve. Thank you.

I will be followed by Colonel Harvey.

STATEMENT OF COLONEL WILLIAM HARVEY, CHIEF, ARMY BASE REALIGNMENT AND CLOSURE OFFICE

Colonel HARVEY. Mr. Chairman and Members of the subcommittee, I appreciate the opportunity to appear before you and discuss the Department of the Army's program for implementing and executing the various base realignment and closure initiatives.

My comments today briefly describe the status of the major base realignment and closure programs within the Army. Our efforts revolve around the following principles and the President's community reinvestment program that was announced on the 2nd of July, 1993.

We want to close and realign bases expeditiously, attain predicted savings for the Department of Defense, and secondly, we are making every effort to work with local communities to quickly re-

use closed bases in a manner that will assist them in their recovery from the economic dislocation caused by the closure.

The Army is in the midst of a massive program to divest itself of excess installations on a worldwide basis. However, we must keep and maintain those that provide the facilities necessary to respond to crises throughout the world.

The first round of base realignments and closures developed by a commission chartered by the Secretary of Defense in 1988 is progressing and is on track in terms of actual realignments and closures to date.

Mr. Johnson mentioned we closed a majority of the ones that were announced for closure. We actually disposed of 47 of the 77 that were announced for closure.

All required actions in this round will be completed by September 1995.

Force reductions overseas have required the return of installations to host nations. There have been 14 rounds of announcements since September 1990 to announce the return of installations overseas to host nations. There has been one Department of Defense release citing closures in Panama. The Department of the Army has announced a return to date of 594 of these OCONUS sites.

As mentioned by General Herndon, the square footage of facilities to be returned in just U.S. Army, Europe alone equates to closing 11 of our largest U.S. bases.

We are currently in the third year of securing the realignments and closures announced in 1991 under the current base closure law. During this fiscal year, we are focusing on the closure of the Harry Diamond Laboratory, and the decision to draw down at Forts Ord and Devens and the Sacramento Army depot.

Activities in fiscal year 1995 will continue the environmental restoration efforts and will see the actual closure of Forts Ord and Devens, and also the Sacramento depot.

The first round of the base closure process that the Army will implement is the program that was included here in 1993. While not a large program, we have a requirement to execute one closure and five realignments. By the end of this fiscal year, the Army will have completed initiation of the planning and design process for the BRAC 93 military construction program and started construction of the maintenance facilities of Letterkenny Army Depot.

In fiscal 1995 we will award a majority of the construction projects, commence most of the activities at Letterkenny Depot, continue the environmental restoration efforts at Vint Hill Farms, and also at the Tooele Army depot, which is being realigned.

In summary, the Army is continuing to make significant progress in reshaping of our worldwide base structure.

Thank you.

Mrs. MEEK. Mr. Chairman, I move that our hearing today as well as five subsequent Military Construction Subcommittee hearings be closed as necessary, because of the classified nature of the discussion.

Mr. HEFNER. Call the roll.

The CLERK. Mr. Hefner.

Mr. HEFNER. Aye.

The CLERK. Mrs. Meek.

Mrs. MEEK. Aye.
 The CLERK. Mr. Coleman.
 Mr. COLEMAN. Aye.
 The CLERK. Mrs. Vucanovich.
 Mrs. VUCANOVICH. Aye.
 The CLERK. Mr. Callahan.
 Mr. CALLAHAN. Aye.
 The CLERK. Mrs. Bentley.
 Mrs. BENTLEY. Aye.
 The CLERK. Mr. Hobson.
 Mr. HOBSON. Aye.

RESCISSION

Mr. HEFNER. The Military Construction Appropriations Act of Fiscal Year 1994 was signed into law on October 21st, 1993. Ten days later, on November 1st, the Office of Management and Budget recommended a \$601 million rescission for military construction. This was part of a \$1.9 billion rescission package.

Now, this rescission proposal included \$116 million for the active Army; \$252 million for the Guard; \$20 million for the Reserve. Just to make it clear for the record, so the record is clear on this, I want to ask each of you if there were any projects included in our fiscal year 1994 appropriations act that are not required.

General Herndon?

General HERNDON. Mr. Chairman, all projects that were approved in the fiscal year 1994 appropriation bill were either in the Army's budget or were included in an installations out-year program but were not within the overall priorities of the Department of the Army.

The projects added by Congress were of a lower priority than the \$56 million that was taken from the family housing operation and maintenance account to fund them.

Mr. HEFNER. But they were required, they were projects that were—

General HERNDON. They were required by the installations. They were not in the Army's prioritization for that year's program.

General BILO. All the Army National Guard fiscal year 1994 projects were valid and were required.

General KILMARTIN. Mr. Chairman, all the Army Reserves were and they have in fact valid force structures against them.

General HARVEY. Sir, the only program affected of our three rounds affected by the rescission was our BRAC 93 program. The one construction project that we have in that program is funded and it is required and we will be beginning construction on that shortly.

Mr. HEFNER. Well, this is the point that we have to make all the time. When Congress reprioritizes the budget, we don't just dream up projects. There were things that are in your program, and if we hear the project is not required, then we don't fund it. We are not looking for things to fund.

It is good that we have good attendance here today. It looks like everybody except a couple of Members are all here today, and I appreciate their attendance. There must not be anything else going on. Slow day, I suppose.

BUDGET CUTS

I know that the program levels are made above your levels, not made by people more important than you, but they just happen to be made by people at another level. But I want to let you know we have got concerns from the cuts that the budget proposes in military construction and family housing programs.

Overall, the budget request is a cut of 12 percent from last year's level for this bill. Account by account, this is how the Army fared, and incidentally, I made this point ever since I was on the Budget Committee, many, many years ago, that I always think that—and I don't know what you attribute it to, but I think the Army gets short shrift in the budget considerations.

I think probably one of the reasons is that some of the things we talk about are not the real sexy things. We don't talk about B-1 and B-2 bombers and guided missiles. But we have always felt that you get short shrift.

The military construction for the Army, minus 21 percent; family housing construction for the Army, which is key in my view for quality of life, minus 33 percent; military construction, Army National Guard, I mentioned a while ago that is one project, minus 97 percent; military construction for the Army Reserve, minus 92 percent.

Now, we do the best we can to fight the battles over here to take care of the troops, to provide the operational facilities and the quality of life that is needed. But you need to give us something we can work with. If you don't bring us a healthy program in the budget, it is awfully hard for us to fix it, just like the question that I asked earlier about these things that were important to your programs, because we get accused of all sorts of things if we do the add-ons that Members request. We get accused of all kinds of loading up the pork barrels. We get editorialized against. I don't know what the percentage is over the past—since I have been Chairman of this committee, we hadn't even stayed with the curve.

If you add to that the construction pause that we were forced to take some time ago and the cuts, our budget has actually gone down. And I think with the money that we have to operate, I think this is probably one of the best subcommittees on Capitol Hill. I don't know of any hint of any misdeeds or scandal. Either we are doing a good job or nobody knows about us. Nevertheless, I think we manage our monies very, very well.

I would say on behalf of the whole committee, if ever a subcommittee in the House managed their money as well as this committee did, we wouldn't probably be suffering from a \$250- or \$300 billion deficit.

I have some other questions, but since we have a full contingent of Members today and I feel sure that they all have questions, I would like, if you would, to be cognizant of the fact that we do have a lot of Members, and some of the Members have to go to Defense. What time is that meeting today?

Mr. DICKS. Ten o'clock.

Mr. HEFNER. You are going to be late. If you would limit your questions in the first round, so everybody can be recognized fairly soon.

At this time I will yield to Mrs. Vucanovich.

Mrs. VUCANOVICH. I thank the Chairman very much.

I have a couple of questions that deal with Hawthorne. I think that General Herndon is the one I need to aim these toward.

HAWTHORNE ARMY AMMUNITION PLANT

As you are aware, Hawthorne Army Ammunition Plant is in my district. I think you probably know that the facility's rail and truck crossing at U.S. highway 95 creates an extremely dangerous situation when explosives are moved.

Can you give me any idea of any plans the Army has to remedy this situation? Just let me also point out, you know, the Army owned section of the rail line into Hawthorne is in terrible condition; it is a safety hazard, and it makes it very difficult.

Any idea what the plans are and would this year's budget allow you the ability to continue to upgrade the rail system?

I know that we appropriated money for it last year.

General HERNDON. Yes, ma'am. In fiscal year 1994, we do have a rehabilitation project for the rail line. In the fiscal year 1995 maintenance and repair program, we have money for another rail line rehabilitation project as we also have in an out-year program, for a total of about \$15 million for rail lines in Hawthorne.

I am not familiar with the particular crossing you are referring to. I will be happy to research that and provide that to you in the record.

Mrs. VUCANOVICH. That would be very helpful, thank you, because I have people really very concerned about what is happening there.

[The information follows:]

HAWTHORNE AAP RAILROAD CROSSING

The Army has developed a project to correct the safety hazard at the US Highway 95 intersection with Hawthorne Army Ammunition plant's rail and truck crossing. The plan, estimated to cost about \$4 million, would elevate a section of US 95 to eliminate the crossing. Since Hawthorne Army Ammunition Plant is a government owned/contractor operated facility, the project is being evaluated for the proper source of funding (Procurement or Military Construction) and will be considered for future programming.

The 53 mile rail line leading into Hawthorn has been selected for funding under the Army's Strategic Mobility Program. To continue to upgrade the rail system, two repair projects have been developed for \$7.5 million each. One project is planned for fiscal year 1995 and the other will be considered for future programming.

FAMILY HOUSING DEFICIT

Mrs. VUCANOVICH. I know we have lots of Members here. So the other question I wanted to ask about is the current deficit for family housing. Where is the largest deficit for the Army, and what does this budget request do to help the housing deficit?

General HERNDON. The largest deficit that we have presently on the books is at Fort Carson, Colorado, with an anticipated 2,300 potential deficit there. Also, the deficit at Fort Campbell, Kentucky is approximately 900; Fort Bragg, North Carolina, approximately 700.

We expect these locations to vary some through restationing actions and increases in the cost of off-post housing. These periodic fluctuations are normal.

Mrs. VUCANOVICH. Is the budget trying to deal with these, or does it do anything to help alleviate this deficit?

General HERNDON. We have no projects in our current program for deficit reduction of family housing. Because of the underfunding, as the Chairman indicated, of our family housing program, we are concentrating on the revitalization of our existing family housing as opposed to acquiring more housing which we do not have the funds to maintain anyway.

Mrs. VUCANOVICH. Thank you, Mr. Chairman.

I know other Members have questions. I will submit some for the record.

Mr. HEFNER. We just had a vote to close the hearings at the appropriate time.

Mr. DICKS. I will vote aye.

Mr. HEFNER. Ms. Meek.

U.S. ARMY CORPS OF ENGINEERS' BILLBACKS

Mrs. MEEK. My question comes from the other subcommittee I sit on, the Subcommittee on Energy and Water.

We requested an investigation of certain management practices of the Corps of Engineers by the committee's surveys and investigation staff. And some of the findings are relevant to the Army. This concerns the practice known as billbacks, that is, charges for activities at the Corps' headquarters charged against certain projects in the field.

We asked about military construction, and we found out some of the billbacks are charged against military construction. In the area of research, development, testing, and evaluation, of course, that jurisdiction is with Chairman Murtha.

These "billback" charges have been used to fund headquarters activities at the Corps. These charges have avoided the scrutiny of Congress. The Corps does not present them as separate line items that should stand on their own merits.

Now, the civil works appropriation bill attempted to ban billbacks for civil works projects. That was in the language of the appropriations bill. The practice was then renamed centrally administered accounts.

At the subcommittee hearing we had yesterday at Energy and Water, it was announced by the Director of Civil Works that the practice would end effective fiscal year 1996 for at least the civil works area. The report indicated that military construction projects may be taking a bigger hit than civil works have taken.

Some of the staff may have the opinion that this particular hit may be from 15 to 20 percent of MILCON's money.

What percentage of the fiscal year 1993 Army and Army National Guard project funds were billbacks to headquarters Corps of Engineers?

What is the anticipated percentage for FY 1994 whether a billback or a centrally administered account?

I guess Mr. Johnson.

Mr. HEFNER. I don't know. I think that we are getting a little bit out of our jurisdiction on this committee. I am told by staff that—and I am not—I don't really think these gentlemen are prepared for this. We can do some research and get you an answer for the

record, but I don't believe they would be prepared this morning to get into that.

[The information follows:]

The Headquarters, U.S. Army Corps of Engineers centralized accounts charged to benefiting total military program (excluding host nation and non-district workload) totalled \$10,037,013 for Fiscal Year (FY) 1993. This amounted to 0.17% of the total Military Program of \$5,915,000,000. For FY 1994, the charges are estimated to be \$4,874,810, against a program of \$5,963,000,000, or 0.082%. These percentages are applicable to all U.S. Army Corps of Engineers' military customer appropriations.

Mrs. MEEK. I would like that question to go in the record, Mr. Chairman, because I asked this same question once before at one of our hearings. Every time we go to the Energy and Water Subcommittee hearings, we find out about these billbacks, and we find out that many of these funds are appropriated for MILCON. MILCON already has had enough cuts as it is.

My next question is, do you have an explanation of this billback procedure that is used in many MILCON budgetary functions? If not, I would just like that question entered for the record.

Mr. HEFNER. Can we get a commitment that you will get something, if it is not in your bailiwick, will you go the extra mile to get us something to Mrs. Meek on the committee?

Mr. JOHNSON. That is the system for how we charge on our supervision and overhead.

Mr. HEFNER. Would you do that for us?

Mr. JOHNSON. Yes.

Mrs. MEEK. Thank you.

[The information follows:]

The Headquarters, U.S. Army Corps of Engineers billback charges (otherwise known as Headquarters Centralized Accounts) are activities which directly benefit projects and which are more cost effective to perform centrally than individually in 38 separate field activities and laboratories. The financing for these activities has been administered by the Headquarters, although almost all are actually performed by a Corps Division office, District office, or laboratory. There are approximately 30 such activities which include: the Architect-Engineer (AE) Contract Administration System (ACASS), which is an automated database of information required by Defense Federal Acquisition Regulations for contracting with AE firms and is maintained at the Corps of Engineers' Division office in Portland; the Building Loads Analysis and System Thermodynamics (BLAST) Support Office, located at the Construction Engineering Research Laboratory, Champaign, Illinois, which provides all other Corps offices with continually enhanced software for preparing energy analyses, in compliance with mandatory federal initiatives; Computer Aided Cost Engineering Support (CACES), which is composed of our cost database and several software packages used by all Corps offices in preparing construction cost estimates and is maintained at the Division office in Huntsville, Alabama, and a centrally funded long-term training program in which the participants come from all Corps organizations. The billing procedure for each activity is designed to distribute costs equitably to benefitting projects and customers. Military, civil works and reimbursable projects are billed as appropriate.

Mr. HEFNER. Mr. Callahan?

RESERVES-MILCON

Mr. CALLAHAN. Mr. Chairman, following the same frame of thoughts, who are we on this committee to tell you guys you are not asking for enough money? We fight, on the other hand, as we have for the last two decades, to keep you guys controlled. But now it looks like this battle has been lost in the boardroom.

We are going to have to go back to our respective districts, with respect the Reserves and National Guard and our own Army bases, and tell them that there are no military construction projects coming on line this year. And the only things we can go back and is that your people in Washington didn't even request any money.

Mr. JOHNSON, I know, maybe you were in on the higher level meetings, and all of you guys contributed, but I don't know in real dollars what we are talking about I wouldn't be a bit surprised if these figures are pre-Pearl Harbor days with respect to requests from the Army for construction projects.

And I am not sure you guys had any alternative, but I assume that this is what you originally asked for? Or is this what the higher levels of our government told you to ask for?

Mr. JOHNSON. We submitted a balanced budget of about \$3 billion. Subsequent to our submittal of the budget, there were some new rules of the priority investment program, and it focused on very specific things. You can only have these projects if they meet strategic mobility, treaty implementation, environmental compliance and quality of life.

And none of those focuses fit the National Guard or the Reserves, except for one environmental project.

Mr. CALLAHAN. We can't answer all my questions. Mine is a philosophy more than a question.

I just wonder, did you go to the people that had more input in this decision and say, I want this much less, or this much more? And did they tell you, No, forget about it, you are going to take these cuts?

Mr. JOHNSON. The latter is correct.

Mr. DICKS. Would you yield on this point?

Is OSD responsible for this?

Mr. JOHNSON. OSD took the cut out of the services. I am sure that OMB—

Mr. CALLAHAN. So what they are doing, is saying—if in any normal year you come to us and ask for X billions of dollars for your military construction. In addition to that you are coming to us and saying, Look, what little money we are going to ask for, we want to also count in our appropriation the BRAC monies as well.

So when you eliminate the BRAC monies and you look at the reductions you are requesting, minus 45 percent, minus 37 percent, the only increase you have is for NATO construction. And in the past we have been trying to turn the direction the other way to tell you to stop building more bases overseas, to stop building these bases in foreign countries. And yet you come to us and say, We want you to go back to Alabama and say we are not going to build any armories or we are not going to build any family facilities. You go back and tell them we don't need these facilities, is what you are telling us to tell our people.

I guess it would be prohibitive or violative of protocol for them to ask for what they really want?

Mr. HEFNER. Would the gentleman yield?

Mr. CALLAHAN. Yes, sir.

Mr. HEFNER. The reason that we are getting on your case, is because you are here. But this goes back—

Mrs. VUCANOVICH. The messenger.

Mr. HEFNER. This goes back many years ago when I sat on the Budget Committee, and it was so evident when we would have the Joint Chiefs appear. I am not going to point fingers or names, but the Army has never been as aggressive for their share of the pie as the other services have.

Of course, we will be meeting with all services. But the Army has never been as aggressive. In some cases they would say, Well, just tell us how much we are going to get, we will live with it. And in a lot of cases, that is just not acceptable, because we are expected to fix these things.

The bases that Mr. Callahan has had in Alabama, that Mrs. Vucanovich has in Nevada—you have you mentioned Fort Bragg—we are expected to fix these things. And when we attempt to fix them, we get blasted in the press for pork barrel, for add-ons, for Members doing things for their bases.

Mr. DICKS. When we get a balanced budget amendment, that will help us, too.

Mr. HEFNER. It might do that, but that is another story.

But nevertheless, it starts back at the top echelons and it feeds down. And when we get to these projects, there is a little bit left.

Like yesterday, we had somebody, General Luck from Korea.

Mr. DICKS. In military construction.

Mr. HEFNER. In military construction, in Korea for Americans.

Mr. DICKS. We are in an agreement over there where he can't get it.

Mr. HEFNER. So it starts—these guys are coming in here saying, We have got to defend this thing, and they can't defend it, so they have to take the heat and go back and say those SOB's over in that committee—

Mr. CALLAHAN. Maybe we ought to go sometime into executive session in this committee. I mean—

Mr. HEFNER. We have done that.

Mr. CALLAHAN. Is it violative of protocol for you guys to say, Look, if you pass the budget like this, you are going to ruin the National Guard or you are going to ruin the Reserve. We can't operate like this. All you are doing is downsizing.

You have mentioned how important the National Guard and Reserve is, yet you are coming here saying, We are vital to the national defense of this Nation. At the same time you are saying, Cut our arms off, don't give us rifles.

I don't know what to do about it. It is not up to me. But you guys have got to stand up for your own divisions more aggressively in these executive meetings with the Secretary or whoever you are meeting with rather than to just say, Well, we don't need the money. That is what you are telling us, Don't give us any more money, don't fight for us.

But I know it is not necessarily your fault, but I would like to privately hear from you with respect to what your real needs are.

Mr. HEFNER. We just voted to go in executive session. We can do that. I don't know how productive it would be for this group. This is the argument that we have been having ever since I have been Chairman, and even before, long before, when the Budget Committee dealt with these problems. And it starts at the top, and everybody siphons off, and when it gets down to the real nuts and bolts

and the quality-of-life stuff, we sort of get the crumbs for the guys that are doing the legwork.

I mentioned yesterday to one of the witnesses, I have been to bases where our troops are manning the most sophisticated equipment known to man, and then they have to walk across an unpaved parking lot to take a shower or they have to stand in water up to their ankles, to take a shower, and live in conditions that a decent slum lord wouldn't rent to his tenants. We are not laying all the problems to you because like Gomer said, You pump the gas, but you are the ones here this morning.

Mr. CALLAHAN. You guys have got to fight a little bit harder. We have got the largest National Guard in the entire country in my State. So we are going to take the largest cut.

So then I am down there telling them, You guys are so vital, we couldn't have won the Persian Gulf without you, more of you went than any other State, thank God we have you. But now your leadership in Washington is telling us that they don't need you anymore, on one hand, and yet telling us how vital you are on the other hand.

Mr. HEFNER. Sonny is willing to go to bat for you to get you a new Mercedes in Alabama.

Mr. Dicks.

Mr. DICKS. Mr. Chairman, I have two very brief questions.

FORT LEWIS, WASHINGTON—FAMILY HOUSING

I want to ask about the family housing situation in Fort Lewis, Washington. As I understand it, \$64 million was requested for this effort. Can you comment on this project?

General HERNDON. Sir, I think you are referring to the barracks construction projects. We have two barracks construction projects that are in the fiscal year—

Mr. DICKS. You are correct.

General HERNDON. In the fiscal year 1995 program for Fort Lewis. This will provide barracks space for a maximum of 800 soldiers. Virtually all the facilities, which these two whole barracks renewal projects will replace, are old buildings constructed during World War II. These 50-year-old temporary wooden structures, which are long past their expected lifespan, will be demolished once vacated.

Mr. DICKS. We are going forward with this one. This one didn't get on the list, right?

General HERNDON. It is a project for the fiscal year 1995 budget.

Mr. DICKS. Is the requirement for this the return of troops from Europe to Fort Lewis?

General HERNDON. That is part of it, but these projects are required at Fort Lewis irrespective of the return of troops from Europe.

Mr. DICKS. The Secretary of the Army visited Fort Lewis determined this housing is not acceptable, and that these upgrades were necessary. Is that correct? Do you guys know that?

Mr. JOHNSON. These are World War II barracks out there that we are replacing.

YAKIMA FIRING RANGE

Mr. DICKS. Can you tell me the status of the Yakima Firing Range?

General HERNDON. Yes, sir. We have completed negotiation for acquisition of 20 of the required tracts. Condemnation will be required on the remaining 10 tracts.

The Bureau of Land Management has to obtain statutory approval to remove their land, which is 6,650 acres, from the public domain. The Bureau of Land Management has drafted legislation which requires the Army to transfer an equal amount of land to the Department of the Interior to mitigate for the loss of recreation lands. The Army opposes this requirement.

The Army proposes to allow public access when not training by relocating trails, constructing boat ramps, and fences and enhancements to provide such recreation opportunities.

Mr. DICKS. Are you negotiating with the BLM on this actively?

General HERNDON. Yes, we are.

Mr. JOHNSON. We had a letter to the BLM from the Secretary asking them to proceed with the legislation. I have asked your office to give us a hand on that.

Mr. DICKS. Do you need assistance with the legislation?

Mr. JOHNSON. Try to get them to send the legislation forward.

Mr. DICKS. Do you have to have a withdrawal plan without the mitigation?

Mr. JOHNSON. Yes, sir.

KOREAN HOUSING

Mr. DICKS. Okay. Let's discuss the situation in Korea. We were just out there with Chairman Murtha, and I was also there last August. We heard about the difficult conditions on the DMZ. We have some antiquated housing in terrible condition, and yet there is a burden-sharing agreement that limits what or how we can improve this situation—is that correct?

Can you explain to me the difficulties we have with trying to improve this situation?

General HERNDON. Sir, we have a requirement to properly house our soldiers wherever they are located throughout the world. Every time we have submitted legislation for a request for construction projects overseas in the last few years, it has been turned down either by the Congress, by OSD or by OMB. At the present time, all Korea construction projects are funded by the Koreans.

Mr. DICKS. Right.

General HERNDON. There is a requirement to provide adequate barracks for our soldiers who are living in Korea.

Mr. DICKS. Right.

General HERNDON. And the Commander-in-Chief has identified approximately \$30 million on a continuing basis for such barracks construction.

This is receiving favorable attention within the Army and we will attempt to pursue this through the programmatic process of the Army.

Mr. DICKS. That means at some point somewhere down the line there maybe a request?

General HERNDON. That is correct, sir.

Mr. DICKS. But there is no request in the budget now. In your personal and professional opinion, should this be in the budget? Should we have that \$30 million in this year, 1995, to take care of the problem?

Mr. HEFNER. Will the gentleman yield?

Are you talking about Korea?

Mr. DICKS. Yes.

Mr. HEFNER. Mr. Murtha and I talked about this yesterday.

Mr. DICKS. So we are working on the problem.

Mr. HEFNER. We are working on maybe trying to figure out some way to—us taking over the O&M account. That is not feasible. That is an inside joke. Literally inside. But working together to try to—

Mr. DICKS. Come up with a solution?

Mr. HEFNER. Yes.

Mr. DICKS. I don't want to belabor this issue, but General have you been out there?

General HERNDON. Yes, sir.

Mr. DICKS. Do you believe there is a legitimate need?

General HERNDON. There is an absolute, very much legitimate need.

Mr. DICKS. Provide the committee with a little flavor of the conditions our soldiers are living in.

Mr. FOGLIETTA. Would the gentleman yield?

Are you referring only to the housing in the DMZ?

Mr. DICKS. I am not sure it is just the DMZ. It is all over Korea.

Mr. FOGLIETTA. It is, including the large bases in the center of the city of Seoul. I was there and spoke to them about this. He is concerned not only about the DMZ but all of South Korea.

General HERNDON. Yes, sir, I am quite familiar with the situation in Korea. I commanded a battalion in Korea. Members of my battalion lived in Quonset huts. Several of the NCOs in my battalion had to go outside of their Quonset huts to go to a latrine facility. When you get up to the DMZ to those facilities that are near the DMZ, you have soldiers that are living in either Quonset huts or what are called fiber-board barracks without interior latrines. In the middle of the winter, it is brutal to try to leave those facilities and to go outside to go to the latrine.

Mr. DICKS. We can't get the Koreans—I am sure there are other priorities, but we can't get them to take care of this. I am told there is no prospect of them taking care of this.

General HERNDON. The Koreans primarily fund for projects that are related to combat enhancements. They will provide a very limited amount of funds per year for what we might call soldier support activities. But not nearly the amount that is required on a continuing basis.

Mr. HEFNER. Will the gentleman yield?

It is my understanding that we get actual cash, what amounts to cash from the Koreans, but we can't do with the host nation support we get from them, it is not sufficient to do the things that we—to meet the standards we think should be there for our troops. But on the funds they give us, they said this would be good enough

for our troops, but it doesn't do the job for ours. Is that roughly the situation?

General HERNDON. Sir, there are two types of funding for Koreans projects. There is one called Combined Defense Improvement Projects, nicknamed CDIP. That program is funded entirely by the Koreans, contracted by the Koreans. They build it. We have very little control over it.

There is another program that is funded by the Koreans and it is called the Korean host nation funded construction program. There they do provide the cash to the United States for the United States to build to our standards.

Mr. HEFNER. But then the funds that they give us are not—

General HERNDON. The funds they give us are very limited on an annual basis.

Mr. HEFNER. They say, if you use these monies, use our standards. Is that roughly—

General HERNDON. They—

Mr. DICKS. How much do the Koreans provide?

General HERNDON. On—

Mr. DICKS. Is the problem that we haven't been aggressive enough with the Koreans? Or is the problem that we simply have to do this ourselves because the prospects of getting it from the Koreans isn't very good?

General HERNDON. The prospects of getting it from the Koreans are not very good, and in addition the funding provided by the Koreans is not sufficient.

FACILITIES BACKLOG IN KOREA

We have a backlog of improving our facilities in Korea over \$2 billion. The Koreans are presently funding, in the CDIP program for all U.S. forces in Korea in fiscal year 1994, approximately \$50 million, and for the Korean host nation funded construction program, for all services in Korea, approximately \$70 million.

Mr. DICKS. Mr. Chairman, I would like to request, for the record, a description of this \$2 billion backlog?

General HERNDON. Sir, I will be happy to provide that to you for the record.

Mr. DICKS. Is this just the Army or all services in Korea?

General HERNDON. This is for all services.

[The information follows:]

U.S. Forces Korea estimates the construction backlog for all services at enduring locations throughout Korea as follows:

	<i>Millions</i>
Unaccompanied personnel housing	\$810
Consolidated soldier support centers (unit headquarters, physical fitness facilities, and other quality of life facilities that support the soldier)	380
Family housing/family support	350
Maintenance facilities	340
Logistics/operations facilities	240
Total	2,120

Mr. FOGLIETTA. Will the gentleman yield?

How long has this been accumulating?

Mr. JOHNSON. About seven or eight years ago, we used to have a \$70 million program for construction. Then we kind of fell on hard times for all overseas construction.

Mr. DICKS. Is this true in other countries other than Korea?

Mr. HEFNER. It is true everywhere, Norm. If you did this \$2 billion backlog, it would take three years and every dime you got to do Korea.

Mr. DICKS. I understand, Mr. Chairman.

Mr. HEFNER. I am not chastising you. You are a busy man. You have to look after Fort Lewis. But seriously, if you go——

Mr. DICKS. I have got the northern spotted owl, Mr. Chairman. That is a big problem.

Mr. HEFNER. We have the red cockaded woodpecker. And they are social animals. They follow the troops around. You can't get away from them. Where the troops go, they go.

HOUSING BACKLOG

Seriously, we have got a backlog. What is our average backlog if you took the backlog on housing wherever we have installations?

General HERNDON. Are you talking about the deferred maintenance and repair, sir, or are you talking about the backlog of deficit housing?

Mr. HEFNER. Either way you want to phrase it. It is just a tremendous backlog, and at the rate we are going it is like 100 years for replacement. It just doesn't ever get there.

Mr. JOHNSON. We started revitalization on a 15-year program at \$250 million a year. It takes about 15 years to get there.

Mr. DICKS. Is there any place as bad as Korea?

Mr. JOHNSON. I don't think so.

Mr. DICKS. Europe is drawing down, but what about Turkey?

General HERNDON. I cannot comment on Turkey. I can tell you that in my experience traveling around the United States Army, there is no area where facilities are as poor as we have in Korea.

Mr. DICKS. So General you are saying \$2 billion is required not just housing, but for everything?

General HERNDON. That is everything for Korea.

Mr. DICKS. How much of that amount is for housing?

General HERNDON. I would have to provide that for the record. [The information follows:]

The Army family housing backlog in Korea is \$42 million.

Mr. DICKS. You are saying that the plan calls for \$30 million per year to be appropriated?

General HERNDON. That is correct, sir.

Mr. DICKS. The only way to begin to resolve this situation is to authorize and appropriate the money in this budget.

Mr. HEFNER. Will the gentleman yield?

One of the problems we have got, we look at these things and we want to do these things but we keep hearing—our people say, You ought to get out of Korea.

Mr. DICKS. But, Mr. Chairman, we know we cannot leave Korea.

Mr. HEFNER. I know that. A lot of people say, if you put it to a vote to the American people, it would probably pass overwhelmingly, get out of everywhere. So we have these problems.

And you remember our last year's budget, we cut most of all the things out of NATO. And people talk about——

Mr. DICKS. We have reduced our forward deployment dramatically.

Mr. HEFNER. Closing bases. So the point is, from where we started here, we are just not getting enough requests to look after what we need to do.

Mr. DICKS. Mr. Chairman, I would say this. We have been to Korea, I have been there twice, Congressman Murtha has been out there twice. The one priority thing that keeps being raised over and over again is that some military construction must be started. We must provide some relief of this situation. In my view, Korea is as dangerous as any place in the world.

We aren't leaving Korea. And we must realize that we are putting our armed forces who are stationed there in terrible housing conditions. This is unacceptable. We must start a program to address these concerns.

Mr. HEFNER. I agree with you.

Mr. DICKS. Does anybody disagree with that? Do you disagree with it?

Mr. JOHNSON. I agree with you.

Mr. HEFNER. We started mailing from Alabama.

Mr. DICKS. I must leave now.

Thank you, Mr. Chairman.

Mr. HEFNER. Go to defense.

Mr. DICKS. I will tell Chairman Murtha you are coming.

Mr. HEFNER. Mrs. Bentley.

CHEMICAL DEMILITARIZATION

Mrs. BENTLEY. Thank you, Mr. Chairman.

I have a couple of comments before I ask questions on the chemical demilitarization. We ought to pull our troops out of Korea if we are not going to give them decent housing. I think it is outrageous that our troops are the ones who live in the most appalling conditions.

I am receiving reports from some of my constituents who are in Croatia; the American personnel are living in tents while others are in permanent facilities there.

And I think that the way we treat our young soldiers overseas is disgusting. And you are responsible for these soldiers.

NATIONAL GUARD BUDGET

My other comment is to you, General Bilo. And this is separate from MILCON, but it does deal with the National Guard.

I am really very upset that the Defense Department has slashed out of the National Guard's budget some \$8 million for the Challenge program. Challenge is one of several excellent programs that the National Guard has been involved in helping young people who have been dropping out of school. It is an excellent program. I have attended the courses at Aberdeen Proving Ground and have seen first-hand what they are doing. And now I find out the funding is being slashed. I really think you need to re-examine your priorities.

CHEMICAL DEMILITARIZATION

Now, let me return to chemical DEMIL. As you know, Aberdeen has been involved extensively in all aspects of the chemical demilitarization programs. We have been watching very carefully the evolution of this program which started out at \$1.6 billion but now is over \$8 billion and going up. Why?

Have we reached the point economically speaking where it is now less expensive to move all of the weapons to one site and burn them at that site than it is to build these very expensive facilities on eight different sites around the country.

Mr. JOHNSON. As far as moving the munitions to other places, we can't do that. So we will have to stick with our eight locations until the law is passed to let us do that.

Mrs. BENTLEY. If the law is passed to allow you to move them all to one?

Mr. JOHNSON. It would have to be.

Mrs. BENTLEY. Congress would have to pass a new law to allow that to happen?

Mr. JOHNSON. That is right. The problem is, of course, the States don't like the idea of moving across the lines and that sort of stuff. It would be very difficult to do that. That is the reason the decision was made to build eight of them.

Mrs. BENTLEY. Are there no changes to this plan?

Mr. JOHNSON. We have still got the same plan, that is right.

Mrs. BENTLEY. How much do you estimate that the installations are going to cost now? \$8 billion?

Mr. JOHNSON. Well, we know we have the \$276 million in this program, and then we have the follow-on program, Bluegrass at \$184.3; Pueblo, \$157.0; Newport, \$107.0 and Aberdeen, \$121.6 million. So that should get us through the program.

Mrs. BENTLEY. Without any additional inflationary—

Mr. JOHNSON. Well, that is kind of hard to—these are very complicated facilities, and we find out that it is costing us more than we estimated at the start.

Mrs. BENTLEY. That is construction only that we are talking about. What will the operation costs be? Do you know?

All right. Supply it for the record, if you would.

Mr. JOHNSON. We will do that. We have those figures, estimated. [The information follows:]

The following information is provided regarding the operational costs of the chemical demilitarization facilities:

[Current year in millions of dollars]

Site:

Tooele Army Depot	327
Anniston Army Depot	203
Umatilla Depot Activity	191
Pine Bluff Arsenal	159
Pueblo Depot Activity	92
Blue-Grass Army Depot	98
Aberdeen Proving Ground	58
Newport Army Ammunition Plant	44
Total	1,172

The above costs are based on and contained in the Army's 1993 life-cycle cost estimate (\$8.6 billion). Operational costs are currently under revision to incorporate the Johnston Atoll Chemical Agent Disposal System Operational Verification Testing

experience, audit recommendations and the possible impacts of alternative technology and are expected to increase.

Mrs. BENTLEY. Thank you.

If I can, or I can ask on the second round, about the labs.

Mr. HEFNER. Mr. Coleman, if you will, then——

Mrs. BENTLEY. I will ask later.

Mr. COLEMAN. Thank you, Mr. Chairman.

I will just ask this question, and I suppose I know the answer, but I think it is important maybe to get an answer on the record.

CHILD CARE CENTERS

I think one of the more important issues raised by the Chairman of the Joint Chiefs of Staff in his testimony last week was the issue of child development centers, wherein he stated they are not only important to the quality of life but indeed, in his view, contribute to readiness.

I wanted you to give me a reason why then the Army has not requested funds for any childcare centers.

General HERNDON. Mr. Coleman, there were two child development centers in the Army's original fiscal year 1995 budget request to OSD, but the priority investment program funded only the highest priority projects such as strategic mobilization, the whole barracks renewal, whole neighborhood revitalization projects, and some very limited treaty implementation, health, safety and environmental projects. No child development centers were included in that funding.

STRATEGIC MOBILITY

Mr. COLEMAN. Related to that is the issue of strategic mobility. I noticed in your earlier testimony you stated that the reasons and rationale for providing military construction funds. I noticed your budget request included \$45 million for five projects to improve the Army's strategic mobility.

What kind of mobility deficiencies will remain at the infrastructure at United States installations, and what are your plans for correcting those deficiencies?

General HERNDON. Sir, we have major deficiencies throughout our strategic mobilization system within the Army, which the strategic mobility program will correct. Such deficiencies as in our rail systems, airfield runways, deployment facilities, mobilization storage facilities, ports, piers, and holding areas. Our program, as you identified for fiscal year 1995, will provide \$45 million in military construction to begin that restoration.

We also have monies in the operations and maintenance account for other types of rehabilitation of those facilities.

Mr. COLEMAN. The joint use of Biggs Army airfield has come up. I wonder if you can comment on the importance of the concept with respect to what I used to call a rapid deployment capability and strategic mobility effort.

General HERNDON. Sir, the Army approved the concept for joint use of Biggs airfield in 1992, and in 1993 that was expanded to the concept of full joint use. Those details are under negotiation by Fort Bliss and the City of El Paso. The Army supports the joint use of Biggs.

SERGEANTS MAJOR ACADEMY

Mr. COLEMAN. Also located—it is actually at the Biggs airfield, is the Sergeants Major Academy. I wonder if you can inform me of the status of that facility.

General HERNDON. The Sergeants Major Academy requires an addition of 43,000 square feet, approximately a \$5 million project. The Chief of Staff at the Army approved an extension of the course of the Sergeants Major Academy from six months to nine months. We also have a sub-standard battle staff course facility at the Sergeants Major Academy that requires funds.

Mr. COLEMAN. I know you are well aware of my concern over the last decade on the subject of barracks modernization, because I think it does, as we have all stated here, impact directly on the morale, the welfare, recruitment, retention, for an Army that is first-class. I noted that the committee annually takes the initiative in funding important quality-of-life issues such as those.

And I would just note that the Army in its efforts to modernize existing barracks funds for fiscal year 1995, the Army hasn't done that, really. I am wondering if there is another explanation.

I know I missed some discussion here, but I am wondering whether or not it is perhaps more important that we get the Director of OMB or whomever it is that is telling us that we are unable to provide for the very issues I just mentioned.

General HERNDON. Sir, the original request from the Army was for an additional approximately \$170 million of barracks funding was deleted from the Army's budget because of the priority investment program. That did include two barracks projects at Fort Bliss.

Mr. COLEMAN. Let me tell you one other thing that is going on, too, and I think it is good. The utilization of nonappropriated funds. I think it is good to note that the United States Army, at least at Ft. Bliss, has come up with some pretty innovative ideas in dealing with recreational facilities for youth and problems that the children of military, the dependents of those who are serving their country, oftentimes confront.

I think in the overall training and education of these young people, we have an obligation to them as long as they are stationed where we, the United States Government, insist. And I think if there is anything we can do, if there are ideas you may have about how we can be more supportive of the utilization of nonappropriated funds for things like a recreational youth facility at various installations, I hope will you let us know.

I happen to have toured one recently at Fort Bliss, Texas, and can tell you I am very impressed with the direction of the personnel who are working there. That is not coming out of the military construction account. That facility is being run and maintained as well as having been built by nonappropriated funds.

And I think if there is anything we can do to be helpful, I hope you will let this committee know. I think it is good to compliment the Army on something that is very important.

Thank you, Mr. Chairman.

Mr. HEFNER. Mr. Foglietta has no questions.

Sonny.

Mr. CALLAHAN. No, sir.

Mr. HEFNER. Did you have follow-up questions?

Mrs. BENTLEY. Yes, I do, thank you, Mr. Chairman.

ARMY RESEARCH LAB

From what I understand, the Army Research Lab is having budgetary problems, as is everybody else. If my memory serves me correctly, the 1988 BRAC mandated that the ARL elements at Watertown Arsenal be shut down by 1995, and BRAC 93 mandated that ARL be consolidated to Aberdeen Proving Ground.

Notwithstanding these two laws, the DOD comptroller put a hold on construction dollars for ARL's building site at APG.

Am I correct that the Army already has spent \$7 million on the ARL site at Aberdeen?

Mr. JOHNSON. You are correct that we have got that on hold. Colonel Harvey has just run a little check on that.

Colonel HARVEY. Yes, ma'am. We have been in the process, and the Army Research Lab as an entity is much larger than Aberdeen. It also includes consolidation of activities at Adelphi, Maryland, also, and there are two major BRAC construction projects, one at Adelphi and one at Aberdeen, to consolidate activities. That was in the 1991 round.

But you are right, it started in 1988 with the closure of—directed at the Army Materials Technology Lab in Watertown, Massachusetts. The consolidation is on hold at the moment in terms of continuing with construction. We have already started some activities at Aberdeen.

The demolition of buildings in the footprint of the construction at Aberdeen was accomplished last year. We were funded with about \$12.5 million in last year's base closure budget to begin some site prep work. There we have a site prep contract which is currently on hold right now. We are completing the design of the facility at Aberdeen right now. We should have been out about this time advertising for award of the construction contract.

Those dollars have been appropriated to begin the construction there at Aberdeen. They are on hold because the Deputy Secretary of Defense has directed the Department of Defense Inspector General to review the requirements, the construction requirements for the Army Research Laboratory, both at Adelphi and Aberdeen.

Mrs. BENTLEY. When you say "review", do you mean reviewing the requirements the decision to move ARL to APG or just the architecture?

Colonel HARVEY. On whether we need that, yes, ma'am.

Mrs. BENTLEY. Would that mean if he decides that ARL should not move to APG, that this \$7 million is gone down the tube?

Colonel HARVEY. It would be a sunk cost, yes, ma'am.

Mrs. BENTLEY. Did the Army Corps of Engineers do a comparison of the cost to build facilities at White Oak and Aberdeen?

Colonel HARVEY. The original requirements for construction at both Aberdeen and Adelphi were reviewed by the Army Audit Agency, an independent audit activity who verified that we were—that the requirements were valid and that we were doing that at the least cost.

There wasn't a comparative analysis at White Oak and Aberdeen, because the construction—they didn't have facilities at White Oak, and the construction would have been about the same.

Mrs. BENTLEY. Is there going to be an extra cost to temporarily house the materials researchers while a final decision is being made, and while construction is completed at a location other than Aberdeen?

Colonel HARVEY. Ma'am, you are asking some future questions for which we don't really have the decisions yet. We are still required or have a legal obligation to close our facilities in Massachusetts.

Irrespective of the decision, the short-term decisions that are made here in the next—and we hope that that decision is made sometime this month, because as you mentioned, there are already sum costs. We are continuing the design. If we continue on, the sum costs get greater, not smaller, if they make a decision later.

We need to plan what to do with those people and those functions that would come out—the facility at Watertown we have already invested almost \$70 million there in order for environmental restoration purposes to clean up an old nuclear reactor that was there. We shipped off low-level mixed and nuclear waste to other States to be stored.

The investment is more than just at Aberdeen. We made significant investments at other places in order to consolidate research activities, so that the outcome of that review is very critical to us and also to the Department of Defense in terms of avoiding unnecessary expenditures.

Mrs. BENTLEY. Is the comptroller's hold only on fiscal year 1994 dollars or is there also a hold on fiscal year 1993?

Colonel HARVEY. It is on both, ma'am. They have withheld funding from the department for the 1994 dollars. The 1993 dollars we have been directed not to further expend those dollars, yes, ma'am.

Mrs. BENTLEY. We will be asking you questions from time to time on that to see how it is moving along.

Thank you.

Thank you, Mr. Chairman.

Mr. HEFNER. Are there any other questions?

Mr. COLEMAN. Mr. Chairman, if I might, I know that you are going to ask some for the record. If the Army doesn't have these numbers available, it will be fine to submit them for the record.

FAMILY HOUSING WAITING LISTS

I was real concerned about the number of families on waiting lists for housing, the government-provided family housing. I wondered what the average waiting time was. To get some analysis of that I think would be important to place in the record.

Mr. HEFNER. Without objection.

[The information follows:]

The average wait time varies at each installation. On the average, families wait no less than 1 month and no more than 10 months for officers while enlisted families wait no more than 15 months for on-post family quarters.

Mr. HEFNER. If there are no further questions, gentlemen, we appreciate you coming over on a very inclement day.

I want to thank all the Members for showing up. I hope you have a good day.

Until tomorrow, 9:30, the committee stands adjourned.

[CLERK'S NOTE.—Questions for the record submitted by Chairman Hefner:]

HOST NATION FUNDED PROGRAMS

Question. Please provide for the record a list of the Army projects that will be executed in fiscal years 1994 and 1995 under host nation funded programs in Japan and Korea.

Answer. The Government of Japan will execute design or construction of the following projects in fiscal years 1994 and 1995:

LOCATION AND PROJECT TITLE

Akizuki—Erosion Control and Storage Facility.

Hiro—Erosion Control.

Kawakami—Storage Facility, Admin Bldg, and Utility Upgrade.

POL Depot—Fuel Line, Submarine Line, and Security Fence and Light.

Sagami Depot—Reconstruct Admin, Transportation Motor Pool, Utilities Upgrades, Test Shop, Equipment Storage/Maintenance Facility, Reconstruct Warehouse, and Medical Storage/Maintenance Facility.

Torii—Auto Crafts/Gas Station, Alter Unaccompanied Enlisted Barracks, Warehouse, Utility Upgrade, and Unaccompanied Officer Housing.

Yokohama—Flammable Storage Facility, Bridge, and Utilities Upgrade.

Zama—Utilities Upgrades, Physical Fitness/Indoor Pool, Dispensary, Retaining Wall, Car Care Center, Reconstruct Family Housing, Upgrade Unaccompanied Enlisted Barracks, Medical/Dental Clinic, Administration Building, Consolidated Club, Administrative Laboratory Building, Sewage Treatment Plant, Reconstruct Warehouse, and Recreation Center.

The Government of Korea will fund or execute the following projects in fiscal years 1994 and 1995:

Carroll—Sewage Treatment Plant and War Reserve Storage.

Casey—Ready Magazines, Dining Facility—West, Dining Facility—East, Maintenance Facility, Environmental Protection, and Barracks.

Eagle—Apache Fielding.

Henry—Headquarters Building.

Hovey—Maintenance Facilities.

Humphreys—Apache Simulator and Frozen Blood Storage.

Long—Sewage Treatment Plant.

Page—Ammunition Storage and Apache Fielding.

Pusan—Cold Storage.

Red Cloud—Barracks.

Stanley—Environmental Protection.

Walker—Family Housing.

Question. Are there any Army facility requirements in Japan or Korea beyond those being executed with host nation funding?

Answer. Yes, there are Army facility requirements in both Korea and Japan beyond those being executed with host nation funding.

In Korea, the Army has a \$1.5B construction backlog. Host Nation support programs have provided about \$40M annually for new construction. This funding is mainly for war-fighting facilities, with some funding for environmental compliance and quality of life facilities. It is estimated that an additional \$30M in MILCON is needed each year for the next 15 years to fix barracks, dining facilities, and other quality of life problems.

Certain operational projects which the government of Japan views as war-enhancing cannot be funded through the Japanese Facilities Improvement Program. Two projects that the Army is particularly concerned with are the Kawakami Ammunition Storage and Ammunition Surveillance facilities. These had been requested in the Army's FY91 program and were denied by Congress. Subsequently, the Army sought Host Nation funding. The Government of Japan has denied funding these projects stating they are direct military operation facilities.

Question. Have the Japanese or Koreans declined to fund any projects that you requested in fiscal years 1994 and 1995? If so, what projects were denied, at what cost, and for what reason?

Answer. The Government of Japan (GOJ) and the Republic of Korea (ROK) have declined to fund certain projects in the past. The 1995 Host Nation program in Japan is currently under development, so only projects turned down in Japanese Fiscal Year (JFY) 1994 by GOJ have been provided. GOJ requested that the U.S. not release the cost estimate for any project because that could influence the open bidding by contractors if that project were supported in the future.

JFY94 PROJECT REJECTIONS

a. POL Depots, Okinawa, Security Fence/Lighting; GOJ Rationale: Because of multiple landowners, the entire project cannot be done at one time. Japan agreed to do the project piece meal as agreements can be reached with the land owners.

b. POL Depot, Okinawa, Construct Breakwater; GOJ Rationale: No local consensus on this project.

c. Hiro, Pier Improvement; GOJ Rationale: This project is considered to be a direct military operation facility.

d. Kawakami, Ammunition Surveillance Facility; GOJ Rationale: This project is considered a direct military operation facility.

e. Kawakami, Ammunition Storage Facility; GOJ Rationale: This project is considered a direct military operation facility.

f. Camp Zama, Flight Control Tower; GOJ Rationale: This is a direct military operation facility.

g. Naha Port, Reconstruct Berth One; GOJ Rationale: The total release of Naha Port has already been agreed on. The reconstruction of the berth requires further consents.

U.S. Forces Korea (USFK) negotiates the annual amount of funding through normal annual cost sharing negotiations first, and then USFK submits projects to fit the money. Although the ROK government is providing the amount of money agreed to, it is insufficient to meet construction buyout requirements. The construction in Korea is limited by the amount the Koreans are willing to spend.

PAYMENT-IN-KIND PROJECTS IN GERMANY

Question. What is the status of payment-in-kind projects in Germany?

Answer. The Hoenfels sewage treatment plant project was the first Army payment-in-kind project. The design will be completed May 1994. Award of the construction contract is expected in September 1994. Anticipated project completion date is March 1997. Twelve additional projects have been approved by U.S. and German governments. Congress was notified in November 1993. The projects are identified in the German budget in 1994, 1995 and 1996. Design of these projects has not been initiated.

Question. On page 39 of your prepared statement, you refer to "funding of \$110 million this year", but page xxvi of your justification shows only four projects—a maintenance project for \$2.9 million and three construction projects totalling \$30.25 million. Does that mean the balance of nearly \$80 million will go to base operating costs?

Answer. No, the balance of \$80 million will not go to base operating costs. The \$110 million on page 39 refers to the agreement with the Germans whereby they have phased the 12 payment-in-kind projects over the years of 1994, 1995 and 1996. Page xxvi (\$30.25 million) refers to 1995 only. The \$2.9 million shown on page xxvi is in the Defense Overseas Military Facilities Investment Recovery Account (DOMFIRA) for OMA.

Question. Since current law (Public Law 103-139, Section 8036) requires payment-in-kind projects to be approved in prior Act of Congress, how is the Army seeking this approval?

Answer. The Army is seeking the approval through mandatory requirements established in Section 2921, FY91 Authorization Act, as amended. Public Law 103-139, Section 8036 is permissive and provides conflicting guidance concerning residual value. Section 2921, as amended, requires that OSD notify Congress of any negotiations to acquire projects through host nation payment-in-kind funding. Congress was notified in November 1993 (by OSD) of our intent to negotiate with the German government for 12 projects which would be included in the German budget.

FORT BELVOIR ENGINEER PROVING GROUND

Question. What is the status of the Army's plans to construct an administrative facility at the Fort Belvoir Engineer Proving Ground by third party contract?

Answer. The Record of Decision on the Final Environmental Impact Statement was issued on May 28, 1993. An industry market survey was released on June 28, 1993, followed by a Presolicitation Conference on August 23, 1993. The Fairfax County Board of Supervisors approved the Comprehensive Plan Amendment for the development on February 28, 1994, by a vote of 9-1.

Question. Has the Army done a re-analysis of the need for administrative space at the Engineer Proving Ground in view of the downsizing of force structure?

Answer. The Army has taken the downsizing of the force into consideration from the start. Initial planning figures reflected a 33 percent reduction in the number of employees moving to the EPA.

The Program Manager closely monitors the strength of agencies scheduled to move to the EPG. The Army plans to build generic office space rather than agency specific space and has the flexibility to increase or decrease requirements as required.

Question. Shouldn't any construction at the Engineer Proving Ground be considered in context of the next round of base closure and realignment?

Answer. The Army's goal is to get out of leased space in the National Capital Region and move into Army-owned space at the Engineer Proving Ground. Should the base closure and realignment process result in the movement of Army activities from the National Capital Region, the Army has the flexibility in its generic office space and the phasing of the development to adjust the size of its facilities to the requirements. The Army's use of a planning factor of 33 percent reduction is in consonance with the current guidance to reduce the force structure.

WHOLE BARRACKS RENEWAL

Question. I want to compliment you on continuing your efforts to improve troop housing by including \$200 million for nine whole barracks renewal projects in your budget request. As you know, this subcommittee has always supported such "quality of life" projects. At this level of funding, how long will it take to buy-out your barracks renewal program?

Answer. The Whole Barracks Renewal Program entails programming approximately \$250 million per year over the next 15 years to renovate the Army's most critical barracks requirements. Upon completion of the most critical barracks requirements, the Army will continue to program construction and maintenance dollars as necessary.

FACILITIES REDUCTION PROGRAM

Question. Please give us several examples of actions that you are taking to reduce the Army's inventory of facilities that are excess to requirements?

Answer. The Army has taken a multi-pronged approach to reducing the excess facilities infrastructure, relying on base realignments and closures (BRAC), annual reduction targets and the reduction of one square foot of temporary facilities for each square foot of new construction. The Army has been a full and active participant in the base realignment and closure process from the beginning. In CONUS alone, the closures underway are significant. Of the 77 BRAC I installations recommended for closure, 68 had been closed by the end of FY93. The Army had initiated BRAC 91 and BRAC 93 closures also. Army overseas closures are also significant. Closures from 1990 have targeted 581 installations, 552 in Europe and 29 in Korea. At the end of fiscal year 1993, Army had completed 390 full and 39 partial closures in Europe, and 17 full and 7 partial closures in Korea. In Europe, 190 million square feet will be returned by 1999, which is similar in size to reducing the inventory at 11 of our major U.S. installations. In addition to the announced base closings and realignments, the Army has initiated a Facilities Reduction Program to reduce its excess facilities inventory on bases which are being retained. The Army is requiring its

MACOMs with large landholdings in CONUS (plus Alaska and Hawaii) to meet annual reduction targets. From FY92 through FY97, 33.8 million square feet will be reduced. By the end of FY93, 19.5 million square feet was either disposed of or under contract for demolition. In addition, the Army began requiring one square foot of temporary facilities to be disposed for each square foot of new construction with the FY92 construction program. Disposal begins in FY94. Most base closure, chemical demilitarization, strategic mobility, utilities, and other infrastructure (roads, bridges, etc) construction does not have to be offset by demolition.

Question. Do you see any chance that this "facilities reduction program" may eventually be used against you—if you take down the oldest square footage aggressively, you may eventually reach your goal of a replacement rate of 57 years, largely through demolition alone.

Answer. It is not expected that demolishing these facilities will improve our replacement rate. The facility reduction program began in FY92. At the end of FY93, Army building inventory was 1.1 billion square feet. By FY97 the Army will reduce an additional 15 million square feet through the facilities reduction program, with additional disposals offset new construction. Facilities being demolished or otherwise disposed are the Army's worst, from facilities types no longer needed, or facilities which are being replaced by new construction. Most disposed facilities are World War II temporaries, which the Army doesn't count in determining requirements. Facility reductions are necessary to help bring inventory in line with force structure reductions, however major reductions in CONUS take place through the BRAC process. To improve our replacement rate, Army Real Property and Construction funding must remain constant, while the Army reduces inventory through Base Closures. Army will work through the Base Realignment and Closure process in 1995 to identify additional installations which can be closed or realigned in CONUS.

STRATEGIC MOBILITY

Question. The budget includes \$45 million for five projects to improve the Army's strategic mobility. What kinds of mobility deficiencies will remain in the infrastructure at U.S. installations, and what are your plans for correcting such deficiencies?

Answer. The Army will have major deficiencies in its rail and rail loading system, airfield runways and deployment facilities, mobilization storage facilities, and port piers, holding areas, and channel depths. The Army has identified all major deficiencies at its strategic installations, ports, and airfields, and is committed to spend over \$60 million per year in Army MILCON to correct these deficiencies.

CHEMICAL DEMILITARIZATION PROGRAM

Question. The budget request includes \$276 million for the chemical demilitarization program, \$179 million for Umatilla, Oregon and \$97 million for Pine Bluff, Arkansas. This is forty percent of your total Military Construction budget. What is the schedule for requesting construction funds for the four remaining locations, together with the estimated amount for each location?

Answer. For planning purposes over the next four years (fiscal years 1996–1999), the Army's requirement for construction funds for the chemical demilitarization program and the chemical treaty facilities for the remaining sites includes an estimated \$157 million for Pueblo Depot Activity, Colorado; \$184.3 million for Blue-Grass Army Depot, Kentucky; \$121.6 million for Aberdeen Proving Ground, Maryland; and \$107 million for Newport Army Ammunition Plant, Indiana.

Question. What is your timetable and what are your milestones for completion of the chemical demilitarization program?

Answer. Current schedules call for completion of the stockpile destruction by mid-year 2003; however, the Army is reevaluating this schedule based on its latest inputs, primarily from information being generated from actual operational experience from its Johnston Island facility. Adjustments to individual project schedules are possible, but the adjustments to the overall completion date are not expected to be significant. Another potential impact is the National Research Council study of alternative technologies, which was published in February 1994. This study, which was directed by Congress in Public Law 102–484, is currently being evaluated by the Army. Its impact on the program has not yet been determined. The Army analysis of the report is due to be provided to Congress in early April 1994.

Question. What is your assessment of the current safety status of the unitary chemical munitions stockpile?

Answer. The Army presented a report to Congress on August 31, 1993, summarizing an analysis of the stockpile. This assessment showed that the stockpile, from a safety deterioration viewpoint, can be assumed to be safe until the year 2007.

The M55 rocket has been identified as the munition of greatest concern for stockpile safety. The National Research Council of the National Academy of Sciences report, "Recommendations on the Disposal of Chemical Agents and Munitions," February 1994, has recommended additional studies be conducted to more accurately define storage, to include degradation of high risk munitions, as well as handling and destruction risks. Based on the NRC concerns, the Army is currently reviewing this issue and will provide a revised assessment on stockpile safety.

Question. In your view, is it necessary and appropriate to devote forty percent of your budget to this program, or is it driven by outside consideration such as treaty obligations?

Answer. In Public Law 102–484, Congress directed that the stockpile be destroyed by 2004. Also, the current treaty status is such that the year 2004 appears to be the most likely goal. In order primarily to meet Congressional law, the Army has laid out a reasoned approach to attaining destruction by the year 2004. Although

the current Army program depicts completion by mid-2003, a program such as this, with changing environmental regulations, public concern and other outside Department of Defense influences, needs to incorporate some measure of flexibility.

FORT BRAGG, NC—STATUS OF FISCAL YEAR 1994 PROJECTS

Question. Please provide for the record the current status of each project included in the fiscal year 1994 Appropriations Act for Fort Bragg.

Answer. There are two real estate acquisitions and five construction projects included in the fiscal year 1994 Appropriations Act. Real estate actions are progressing for the Overhills Land Tract (\$15,000,000) and Simmons Airfield Land Purchase (\$1,450,000). The status of the construction projects is as follows: Tactical Equipment Shop (\$23,000,000) is 70 percent design complete and scheduled for construction award in July 1994; Tactical Equipment Shop (\$7,100,000) is 100 percent design complete and scheduled for construction award in April 1994; Whole Brigade Barracks Complex (\$71,600,000) is under construction; Sewage Treatment Plant Upgrade (\$540,000) is 100 percent design complete and scheduled for construction award in July 1994; and Main Library and Reference Center (\$5,500,000) is on hold at 90 percent design complete pending authorization pursuant to Title 10, United States Code, section 2802. From this point, it would only take a short period of time to complete the design and advertise for bids if the project is later authorized.

HOMEOWNERS ASSISTANCE PROGRAM (HAP)

Question. Please provide a list of installations from which Homeowners Assistance claims are pending, separately identifying each service.

Answer.

Air Force

Pease AFB, NH *,
Chanute AFB, IL *,
Loring AFB, ME,
Myrtle Beach AFB, SC,
Wurtsmith AFB, MI,
K.I. Sawyer AFB, MI,
Eaker AFB, AR,
Homestead AFB, FL,
Castle AFB, CA,
England AFB, LA,
Carswell AFB, TX,
RAF Upper Heyford, UK, and
RAF Bentwaters, UK.

Navy

Portsmouth NSY, NH,
Naval Undersea Warfare, Center, CT,
Chase NAS, TX, and
Charleston NSY, SC.

Army

Fort Hood, TX * and
Fort Ord, CA.

* No pending claims; however, disposal actions still ongoing.

Question. The budget request includes a new general provision—Section 120—which would permit the transfer of \$133 million from the Homeowners Assistance Fund to the BRC II account. Would this cover non-Homeowners Assistance expenses of base closure?

Answer. Yes, BRAC-related expenses, e.g., construction, relocation, environmental costs.

Question. Do you have the authority to pay Homeowners Assistance costs under the Base Realignment and Closure accounts?

Answer. No.

Question. The budget indicates that there will be an unobligated balance of zero in the Homeowners Assistance Fund at the end of the fiscal year 1995. Are you planning to terminate this account and this entitlement?

Answer. No, there are no plans to terminate this account or the HAP entitlement. The anticipated expenditures of \$169.2 million will be covered partly by carryover from prior years and partly from estimated revenue from resale of homes during FY 1995. Revenues projected are contingent upon economic conditions of communities and the speed at which homes can sell, thereby replenishing the HAP fund. We anticipate there will be a need for additional appropriations in FY 1996.

REORGANIZATION

Question. Please describe in some detail the pluses and minuses you have found so far from reorganizing the military construction and family housing functions into an Assistant Chief of Staff for Installation Management Office.

Answer. The Army recognized the need for a single voice at headquarters responsible for installation issues. The Chief of Staff of the Army has testified on the importance of facilities and base operations and their contribution to readiness. There needed to be a central focus at headquarters to represent installation commanders in the field. Under this new organization, the Assistant Chief of Staff for Installation Management (ACSIM) can now promulgate installation policy and integrate requirements pertaining to the planning, programming, execution and operation of Army installations. This is particularly important now that the Army is undergoing its largest restructuring since 1945 in terms of dollars, personnel, facilities, equipment and operations.

PANAMA—SOUTH COM

Question. What is the current status of the Panama Canal Treaty Implementation Plan, and of the relocation or reorganization or disestablishment of SOUTHCOM? What is the timetable for the turnover of installations to the Panamanian government?

Answer. The Secretary of Defense approved the Treaty Implementation Plan (PC TIP), on 3 February 1992. A refined PC TIP, approved on 14 October 1993, now serves as the basis for drawdown in Panama. As stipulated by the Panama Canal Treaty

of 1977, all U.S. military forces will be withdrawn from the Republic of Panama and all U.S. facilities will be transferred to the government of Panama by December 31, 1999. U.S. Army, South will disestablish by October 1, 1996. At that time, U.S. Army Forces Command will assume responsibilities for providing Army support to SOUTHCOM. For planning purposes, SOUTHCOM will relocate out of Panama in 1998.

WEST POINT

Question. The budget request includes \$28 million to renovate a food processing facility at the U.S. Military Academy. Please describe in some detail the alternative methods of meeting the requirement that were considered during the project development.

Answer. The U.S. Military Academy considered five alternatives during the development of this project. It considered contracting out the entire food preparation and service to an outside contractor. Also considered was contracting out only the food preparation part, and using government vehicles to transport the food to the Cadet Mess, where the current contract workers would serve it. Three in-house food preparation schemes were considered. Two involved demolition of the current facility, and building a new facility on either the current site or an alternate site. The third involved renovation of the current facility.

Question. Why was this project considered to be the only feasible option?

Answer. The two contracting options were not feasible due to the requirement to serve 4000 simultaneous meals. The food preparation technology does not currently exist to feed that number of meals through a catering-type of contract, and the academy was unable to locate any contractors who were willing to try. The Cadet Mess is listed as a national historic landmark, and therefore cannot be considered for demolition. The calculated costs to demolish and build a new structure far exceeded the current plan to renovate the existing facility. This last alternative proved to be the most cost effective and least expensive.

Question. How much of the cost of this project is due to the functional requirement that the Cadet Mess or an equivalent must be operational during the entire construction period?

Answer. Costs that can be directly attributed to keeping the Cadet Mess operational are approximately \$2 million for both time-phasing of the construction and the necessary temporary facilities.

Question. The form 1391 indicates that this project will cost \$119 per square foot. What is the unit cost for a standard design new dining facility?

Answer. The average cost for a new standard design dining facility is approximately \$133 per square foot.

Question. What was the unit cost for the dining facilities at Ft Drum?

Answer. The unit cost for the dining facilities at Ft Drum averaged \$151 per square foot. This would equate to \$205 per square foot for a mid-1995 construction start.

Question. General Bilo and General Kilmartin, please describe for us how units are being transferred between the Guard and Reserve force structure.

Answer. In general, aviation migration and combat forces are coming to the Guard. Combat Service Support units are going to the Army Reserve, example, Quartermaster.

Question. What impact will this have on your military construction programs?

Answer. No impact. In general, the Guard will put swapped units into existing facilities.

TRANSFER AND RESTRUCTURING INITIATIVE

Question. General Bilo and General Kilmartin, please describe for us how units are being transferred between the Guard and Reserve force structure.

Answer. The overall objective of the transfer and restructuring initiative is to better enable America's Army to perform its mission. The Army Reserve's goals in this process are to retain its trained soldiers and to keep its units ready. Since the Institute of Heraldry prohibits direct transfers of unit flags and unit identification codes between components, inactivations and activations will be required.

Forty (40) existing Army Reserve units will be inactivated, and an equivalent number of authorized spaces will be transferred to the National Guard. An additional three (3) Reserve units will be inactivated and reactivated as National Guard units at nearby locations. Fourteen (14) existing Reserve units, originally planned for inactivation, will be retained as part of the overall restructuring plan. Twenty-five (25) National Guard units will be inactivated and reactivated as Army Reserve units at nearby locations. Eighty-nine (89) new Army Reserve units will be activated in various locations based on availability of facilities and trained personnel. All but thirty-six (36) of these new units will be located in close proximity to the National Guard units they are replacing. Members of National Guard units being inactivated will be encouraged to join the new Army Reserve units being established in or near their respective communities.

It is important to note that no new structure requirements are being generated. We are transferring structure required under Total Army Analysis 01.

Question. What impact will this have on your military construction programs?

Answer. The Army Reserve is continuing to study the stationing issues involved in the transfer and restructuring initiative between the Army Reserve and the National Guard. However, we have not yet identified any requirements that impact on our military construction programs.

ARMORY UNIT STORAGE BUILDINGS AND INDOOR RANGE MODERNIZATIONS

Question. The budget request includes \$840 thousand for armory unit storage buildings, which will provide approximately 7 buildings against a backlog of 50 buildings that are required. The budget request also includes \$839 thousand for modernization of indoor ranges, which will correct deficiencies at about 6 ranges against a backlog of 100 ranges that have been closed due to health and safety problems. How will you set priorities for which location to do first in these multi-year programs?

Answer. The unit storage building program is for those units that have a need for excess storage of equipment. The program started in 1988 and was funded in 1989, 1991, and 1992. Funding was distributed among states who identified their requirements and provided construction award justification until funds were depleted. The FY 95 request will be disbursed in the same manner.

The indoor range program is for rehabilitation of ranges closed due to contamination/health/safety reasons. The program was only funded in 1989 and 1991. The priority for funding is based upon the following criteria:

- (1) Safety and health requirements
- (2) Environmental compliance
- (3) Operational readiness training

Question. Can you provide for the record a list of the locations that will be funded in fiscal year 1995?

Answer. Yes. They are as follows:

Armory Unit Storage Buildings: Ashland, AL, Frankfort, KY, Pulaski, TN, Sandston, VA, Murray, KY, Eastover, SC, Fort A.P. Hill, VA, Chisholm, MN.

Indoor Range Modernization: Double Spring, AL, Jefferson Barracks, MO, Cleveland, OH, Onalaska, WI, and Pierre, SD.

ARMY RESERVE AND BRAC

Question. Four installations are being transferred from the active Army to the Army Reserve as part of the base realignment and closure. Are the BRAC accounts fully meeting the Army Reserves requirements at these locations (Camp Parks, California; Fort Hunter Liggett, California; Fort Pickett, Virginia; and Fort McCoy, Wisconsin)?

Answer. Transfer of the four active installations to the Army Reserve was a Forces Command (FORSCOM) initiative and is unrelated to base realignment and closure (BRAC) actions or funding. Official notice was made to Congress prior to the transfer of command and control to the Army Reserve, which became effective December 10, 1993.

FORSCOM is fully funding the four installations during fiscal year (FY) 1994. In FY 1995, FORSCOM and the Army Reserve will equally share the funding. In FY 1996, the Army Reserve will assume full funding responsibility.

BASE CLOSURE ACCOUNTS

Question. Do you have sufficient funds to fully execute your base realignment and closure program during fiscal year 1994?

Answer. The FY 95 President's budget position provides adequate resources to support the execution of the Army's FY 94 program for BRAC I and BRAC 91. Unfortunately the FY 94 Congressional rescission significantly impacts the execution of the FY 94 BRAC 93 program. The Army's request in FY 94 was small at \$35 million and reflected the start up costs that were executable in the first program year. Against this program the Army will receive \$19.3 million. The significant program impacts could include:

delay of at least 10 months in the planning and design of the FY 95 BRAC 93 construction projects. Follow-on construction will be similarly delayed and recurring costs will increase at the realigning and closing installations.

delay of one to three months will occur in the transition of missile systems to Letterkenny Army Depot. This delay is caused by the \$3.0 million shortfall in BRAC Operations and Maintenance (O&M) funds that support the movement and installation of equipment and the related personnel costs.

Question. Do you have funds in excess of your fiscal year 1994 needs?

Answer. No, the Army's projected share of the BRAC 93, FY94 recession reduced our available funds by 46 percent based on the current distribution of the recession. This will cause slippage to the BRAC 93 program and reduces our ability to comply with the President's guidance to accelerate the BRAC process. The current funding of the BRAC 91, FY94 program is sufficient to cover the Army's requirements in FY94. The BRAC I, FY94 program is underfunded, caused by the congressional cut (SASC) of \$15.8 M.

Question. Does the budget request fully fund your plans of work for fiscal year 1995?

Answer. The request covers all BRAC I and BRAC 93 requirements. The BRAC 91 request is below the amount the Army had programmed for execution in FY95. This will slip some actions within the BRAC 91 program by one FY or cause the Army to fund high priority actions from its operating authority (TOA). This will not impede the Army from executing the BRAC 91 program within the six-year BRAC 91 cycle.

LAND REVENUES

Question. On p41 of your prepared statement you mention "OSD guidance to use BRAC I, FY95 anticipated land revenues as a source of funds for BRAC 91 in FY95" and you also state that "slippage of some FY95 unit moves may occur". If you don't receive the land revenues during FY95, how will that impact the BRAC 91 program?

Answer. Without the land revenues the Army will be left with only two options to execute the BRAC 91, FY95 program. First, use Army O&M dollars to execute the BRAC 91, FY95 O&M requirements to maintain the BRAC 91 timeline. The second option is to execute to the level that funds are available within the program and move the unexecuted requirements out to FY96 and FY97 and address them in the FY96 budget cycle. Either of these actions or combination, will slow total program execution.

Question. These land revenues total \$174.8 million and involve seven locations, but 85% of the revenues involves only Fort Sheridan, Illinois and Cameron Station, Virginia. What is the basis for OSD's guidance to credit these receipts in fiscal year 1995?

Answer. The department determined the funds were needed in the BRAC 91, FY95 program versus the BRAC I, FY95 program. The impact without congressional approval of the enabling legislation or receipt of the revenues in FY95 will cause a slippage of portions of the BRAC 91, FY95 program.

Question. What is your own best estimate of when you might see these receipts?

Answer. Based on the closure schedule for Cameron Station and the current reuse/disposal plan for Fort Sheridan, the Army will

most likely not receive the revenues from these installations until in FY95 (4th Qtr) or early FY96.

Question. Is the amount of revenue still subject to change?

Answer. Yes, the amount of anticipated revenue, by installation, is continually updated based on the ongoing real property screening process anticipated reuse, and Congressional direction. The Army has lost approximately \$1.3 billion in anticipated land revenues since the inception of the BRAC program.

Question. Are you requesting authority from the Armed Services Committees to retain these receipts, or is the enabling legislation requested only as a general provision in our bill?

Answer. As part of the enabling legislation the Army will request retention of the revenues, with language which will allow us to use the revenues as a source of funds to execute the BRAC 91, FY95 program. Should this language not be supported, whatever revenues received will not be available to the Army for use against the BRAC 91, FY95 program.

UNSPECIFIED LOCATIONS

Question. Will the budget request for planning and design and for minor construction meet the requirement?

Answer. The budget requests for these items meets minimum requirements. Accordingly, the request does not include sufficient resources to design Congressionally added projects.

Question. Will the budget request for planning and design and for minor construction meet the requirement?

Answer. The ARNG budget request meets minimal planning and design and minor construction requirements through Fiscal Year 1995. However, our request does not include sufficient resources to design congressional add-ons. Planning and design is approximately nine percent of the total program. Without these funds, added projects experience execution delays.

The ARNG Minor Construction program allows a number of smaller projects to be spread over many states.

Question. Will the budget request for planning and design and for minor construction meet the requirement?

Answer. Yes. There is sufficient funding in our fiscal year 1995 budget request to support planning and design and to provide for minor construction for the anticipated program.

GUARD AND RESERVE

We have a series of questions for the Guard and Reserve.

Question. What is the value of the current physical plant, and the types, numbers, and average age of facilities?

Answer. The current value of the ARNG physical plant is approximately \$13 Billion with an average age of 32 Years. The type of existing facilities in the ARNG inventory are as follows:

Summary of Army National Guard Building Types

<i>Facility</i>	<i>Average age</i>
3,044 Armories	35
275 Training Sites	53
88 Army Aviation Support Activities (AASF)	23
9 Army Aviation Operating Facilities (AAOF)	29
4 Army Aviation Classification Repair Activity Depot (AVCRAD)	25

<i>Facility</i>	<i>Average age</i>
54 U.S. Property & Fiscal Officer Offices (USPFO)	30
187 U.S. Property & Fiscal Officer Warehouses (USPFOW)	34
23 Maintenance and Training Equipment Sites (MATES)	23
39 Unit Training Equipment Sites (UTES)	17
61 Combined Support Maintenance Shops (CSMS)	34
6 Combined Support Maintenance Sub Shops (CSMSS)	38
702 Organizational Maintenance Shops (OMS)	28
73 Organizational Maintenance Sub Shops (OMSS)	29

INVENTORY

Question. What is the value of the current physical plant, and the types, numbers and average age of facilities?

Answer. The Army Reserve's total physical plant value is estimated at \$3.6 billion. There are 1,448 Army Reserve facilities (852 are government owned; 596 are leased). Included in this total are 1,070 U.S. Army Reserve Centers (USARC)s; 176 jointly used Armed Forces Reserve Centers (AFRC)s; 137 Area Maintenance Support Activities (AMSA)s; 33 Aviation Support Facilities (ASF)s; and 33 Equipment Concentration Sites (ECS)s; The average age of all Army Reserve facilities is 30 years.

BACKLOG

Question. What is your current backlog of facilities requirements, and by how much will this backlog grow under your 1995 program as requested?

Answer. The ARNG current backlog of military construction is approximately \$3 billion. The ARNG backlog would grow by approximately \$218 million under our 1995 program as requested.

Question. How much would be required, above and beyond the budget request, just to keep even with facilities needs?

Answer. The Army replacement goal of facilities is 1.75% per year. The ARNG would need approximately \$227 million above the FY 95 request of \$9.9 million. As an example, the ARNG has 3,044 armories times 1.75% replacement equals 53 armories per year and does not include other types of facilities in the inventory.

Question. What is the current backlog of facility requirements, and how much will this backlog grow under your 1995 program as requested?

Answer. The current backlog for Military Construction Army Reserve (MCAR) is \$1.9 billion. The Army goal for facilities revitalization is 1.75% of the plant inventory per year, based on a fifty-seven year replacement cycle. With a current physical plant value of \$3.6 billion, MCAR needs per year to meet Army revitalization goals alone are \$63 million. As a result of the DOD Priority Investment Program (PIP), the FY 1995 budget request does not include any of these funds. Combined with average annual modernization and new mission requirements of \$76 million per year (\$1.9 billion backlog divided by 25 years), the total backlog will grow by about \$139 million in FY 1995.

Question. How much would be required, above and beyond the budget request, just to keep even with facilities needs?

Answer. Due to the DOD Priority Investment Program (PIP), the Army Reserve budget request for FY 1995 does not include major construction funds. Based on a current physical plant value of \$3.6 billion and a \$1.9 billion backlog, average annual requirements to

just keep even with facilities needs are \$63 million for revitalization (\$3.6 billion physical plant value multiplied by 1.75%) and \$76 million for modernization and new mission (\$1.9 billion backlog divided by 25 years), totalling \$139 million per year.

EXCESS PRIOR YEAR AUTHORIZATION

Question. For the record, what is the amount of excess prior year authorization for each component?

Answer. The ARNG had approximately \$5 million of prior year authorization available at the end of FY 93.

Question. For the record, what is the amount of excess prior year authorization?

Answer. For all fiscal years through FY 1994, Military Construction Army Reserve (MCAR) authorizations totalled \$872,687,000, and appropriations totalled \$871,878,000, leaving excess authorizations of \$809 thousand. The excess prior year authorization will be used to support reprogramming actions for existing projects.

FAMILY HOUSING—INVENTORY

Question. How many family housing units do you have in the United States, and how many overseas, excluding Sections 801 and 802, and excluding leases?

Answer. As of 30 September 1993, there were 114,351 units in the 50 United States and Puerto Rico, and 39,791 units in foreign overseas areas.

Question. How many Section 801, Section 802, and leased units do you have in the United States, and how many overseas?

Answer. As of 30 September 1993, there are 4,280 Section 801 units, 795 temporary domestic leased units, and 276 Section 802 units in the United States. In foreign overseas areas, there are 13,053 leased units and 3,822 Government Housing Rental Program units.

HOUSING DEFICITS

Question. What is your current worldwide family housing deficit?

Answer. The current programming deficit for the Army is approximately 5,300 housing units. We expect this number to vary due to base closure and realignment actions, and increases in the cost of off-post housing.

Question. What are your three largest deficits, and how large are they?

Answer. As of the end of fiscal year 1994, the three largest deficits for the Army are: Fort Carson, CO (2,394), Fort Campbell, KY (904), and Fort Bragg, NC (731). We expect these locations to vary based on restationing actions and increases in the cost of off-post housing. These deficits have not been validated and no projects will be programmed to address these deficits until USAAA validation is made.

Question. What are your three most expensive deficit locations, based on the actual payments of housing allowances?

Answer. The most expensive deficit locations based on the payment of housing allowances are Hawaii; Fort Irwin, CA; and the Military District of Washington.

WAITING LISTS

Question. How many families are on waiting lists for government-provided family housing, and what is the average waiting time?

Answer. As of 30 September 1993, there were an estimated 1,700 officers and 16,700 enlisted families on the waiting lists. The estimated average waiting time for officers: 1 month to 10 months, and for enlisted: 1 month to 15 months.

DEFERRED MAINTENANCE

Question. What percent of the family housing maintenance and repair requirement will be met within the fiscal year 1995 budget request?

Answer. The fiscal year 1995 maintenance and repair requirement is \$589 million. With a fiscal year budget estimate of \$404 million, only 69 percent of the annual requirement will be met.

Question. What is the current backlog of deferred maintenance?

Answer. The deferred maintenance and repair (DMAR) backlog for fiscal year 1993 was \$641 million. The projected DMAR for fiscal years 1994 and 1995 are \$810 million and \$876 million respectively.

Question. How much additional maintenance and repair work could be performed during fiscal year 1995, beyond the budget request, and what are the limiting factors?

Answer. The Army could execute approximately \$200 million more in maintenance and repair over and above the current budget request during fiscal year 1995. These additional funds would be used to reduce the DMAR backlog. Limiting factors are: (1) time it takes for project design; and (2) lead time for the contracting process.

CONSTRUCTION IMPROVEMENTS

Question. How much additional construction improvement work could be performed during fiscal year 1995, beyond the budget request, and what are the limiting factors.

Answer. The Army could effectively utilize an additional \$30 million for Whole Neighborhood revitalization and \$64 million for replacement of family housing which are uneconomical to revitalize. All supporting projects are at a 35% design and can be obligated. Limiting factors for additional projects above the \$94 million cited are: preliminary design not initiated and environmental assessments not completed.

Question. How many family housing units are programmed for Whole House Revitalization within the budget request, and what is the funding increment for this work?

Answer. There are 1,547 units in the FY 95 Budget programmed for Whole Neighborhood Revitalization at a projected cost of \$146.4 million. There is also a project for an additional 120 units to be constructed with prior year savings for which authorization is requested. This includes:

Type of work	Number of units	Appropriation (\$M)	Authorization (\$M)
Replacement	869	96.65	96.65

Type of work	Number of units	Appropriation (\$M)	Authorization (\$M)
Revitalization	678	49.76	49.76
Replacement (w/savings)	120	0.00	9.70
Total	1667	146.41	156.11

CONTRACT CLEANING

Question. For how many units are you requesting contract cleaning funds, what is the average cost per unit, and what is the total amount requested?

Answer. During fiscal year 1995, the Army will contract to clean approximately 31,000 overseas units with a total cost of \$6.945 million and an average cost of \$225 per dwelling unit.

Question. Describe in some detail how you document savings for contract cleaning expenditure?

Answer. The Army's savings result from allowing families to vacate quarters earlier and allowing incoming families to get into quarters faster thus limiting Temporary Lodging Allowance (TLA) payments. Incoming families are authorized up to 60 days TLA and departing families 10 days. The contract cleaning program limits TLA (estimated at \$100 per day) to three days in lieu of the 10 days for departing families. Since families vacate faster, incoming families get into quarters sooner thus saving additional TLA. TLA savings more than offset contract cleaning costs.

CURRENCY FLUCTUATION

Question. What currency gains or losses are projected for your overseas housing programs during fiscal years 1994 and 1995?

Answer. Estimated gains will be approximately \$2.2 million in fiscal year 1994 and an estimated loss of \$2.3 million in fiscal year 1995 at an estimated disbursement rate of 1.71 German Deutschmark (DM) per U.S. dollar (average rate through February 1994). The greatest foreign currency fluctuation impact is in Germany as a result of the DM which has approved budget rates of 1.65DM/\$ and 1.72DM/\$ in fiscal years 1994 and 1995 respectively. The majority of these gains and losses are in the Operation and Maintenance account. The prior year foreign construction projects are essentially complete and few are anticipated in the near future.

OFFICER QUARTERS

Question. Please submit for the record a table showing: (a) how many general/flag officer quarters you have, separately identifying CONUS and OCONUS locations, (b) how many of these quarters exceed the statutory space limitations, and (c) the average O&M cost per unit?

Answer. The Army has a total of 374 general/flag officer quarters, of which 274 are in CONUS and 100 are in OCONUS locations. Of these, 316 units exceed the statutory space limitation of 2,100 net square feet. The average O&M cost per unit is \$23,800.

Question. Please submit for the record a table showing all GFOQ projects included in the budget request, identifying the number of quarters and the amount requested for each installation. This table should separately identify new construction projects, construction/improvement projects, and maintenance and repair projects?

Answer. There is no new construction of GFOQs in the FY 95 program. The following data on construction/improvement and maintenance and repair is provided as requested.

Installation	Number of GFOQ	Project type	Requirement (\$000)
Fort Carson	3	Const/Improv	249.0
Aberdeen PG MD	1	do	165.0
Fort Huachuca	3	Maint & Repair	162.9
Fort McNair	15	do	885.5
Walter Reed AMC	2	do	134.2
Fort Benning	1	do	94.5
Fort McPherson	2	do	261.7
Hickam AFB	1	do	28.0
Rock Island Arsenal	2	do	156.0
Fort Leavenworth	1	do	97.0
Fort Riley	1	do	31.5
Fort Knox	1	do	59.6
West Point	2	do	137.0
Carlisle Barracks	1	do	80.5
Fort Sam Houston	2	do	392.8
Fort Myer	12	do	718.0
Belgium	3	do	225.0
Japan	1	do	44.5

MILITARY COOPERATIVE HOUSING

Question. Please bring us up-to-date with any proposals you may have for military cooperative housing, such as the Soldier Housing and Retirement Equity Program (SHARE)?

Answer. The Army is not pursuing the SHARE or any other cooperative housing type initiative at this time.

HOMEOWNERS ASSISTANCE PROGRAM

Question. Please provide a list of your Service's installations from which Homeowners Assistance claims are currently pending.

Answer. Fort Ord, California; Fort Hood, Texas (disposal of homes left at Ft. Hood).

Question. Is the program meeting the needs of your Service?

Answer. Yes. The Homeowners Assistance Program met the needs of those individuals affected adversely at Fort Hood, Texas. The Fort Ord HAP Program began in early February 1994.

PROJECTS NO LONGER REQUIRED

Question. Please provide for the record a list of any projects, either in the fiscal year 1995 request or in prior years' unobligated balances, that are no longer required due to force structure changes, bilateral or multilateral agreements, or other reasons. Please include on this list military construction projects, family housing construction and construction improvement projects, and projects financed under the base realignment and closure accounts.

Answer. All Military Construction Army, Army Family Housing, and Base Closure Army projects submitted in the fiscal year 1995 budget are still required. Since the fiscal year (FY) 1994 budget submission, we have determined that the FY 1994 and prior projects shown below are no longer required. Funds from these projects either have been or will be used to offset program shortfalls. For example, the Military Construction Army savings which

are unobligated have been committed to either reprogrammings or the \$22,319,000 rescission directed by Public Law 103-211, enacted February 12, 1994. In the case of Base Closure Army, these projects have been cancelled due to changes in prior rounds based on subsequent BRAC commission recommendations or changes in Army mission and functions. The funds have been reprogrammed to fund the current requirements of the BRAC I and BRAC 91 programs.

Military Construction Army:

Alabama, Redstone Arsenal, Training Facility, \$7,100,000 (FY 92)
 California, Fort Irwin, Laundry Facility, \$2,450,000 (FY 92)
 Colorado, Fort Carson, Fight Simulator Facility, \$3,000,000 (FY 92)
 Louisiana, Fort Polk, Tactical Equipment Shop, \$10,800,000 (FY 92)
 Texas, Corpus Christi Army Depot, Warehouse, \$9,600,000 (FY 93)
 Utah, Dugway Proving Ground, Simulant Mixing facility, \$450,000 (FY 91)

Base Closure Army:

Alabama, Redstone Arsenal, Maintenance Facility, \$5,900,000 (BRAC 91)
 California, Hamilton Army Airfield, Reserve Center, \$4,600,000 (BRAC I)
 California, Oakland Army Base, Reserve Center, \$7,900,000 (BRAC I)
 California, Travis Air Force Base, Admin Facility, \$2,200,000 (BRAC I)
 Colorado, Fort Carson, Information Systems Facility, \$7,900,000 (BRAC I)
 Colorado, Fort Carson, 6th Army Headquarters, \$16,000,000 (BRAC I)
 Illinois, Rock Island Arsenal, Building Modification, \$7,600,000 (BRAC 91)
 Kentucky, Fort Knox, Air Base Ground Defense School, \$5,600,000 (BRAC I)
 Kentucky, Fort Knox, Air Base Ground Defense Range, \$5,700,000 (BRAC I)
 Kentucky, Fort Knox, Barracks, \$3,400,000 (BRAC I)
 Texas, Red River Army Depot, Upgrade Firing Range, \$1,050,000 (BRAC 91)
 Texas, Red River Army Depot, Maintenance Facility, \$350,000 (BRAC 91)
 Utah, Tooele Army Depot, Alter Shops to Warehouses, \$5,600,000 (BRAC I)
 Utah, Tooele Army Depot, General Supply Warehouse, \$3,850,000 (BRAC I)

Question. Please provide for the record a list of any projects, either in the fiscal year 1995 request or in prior years' unobligated balances, that are no longer required due to force structure changes, base realignments or closures, mission changes, bilateral or multilateral agreements, or other reasons. Please include on this list military construction projects, family housing construction and

construction improvement projects, and projects financed under the base realignment and closure accounts.

Answer. The ARNG has identified the following:

Fiscal year	State and Location	Project	Thousands
1990	NJ—Vineland (canceled by State)	Mini Tank Range.	\$214
1990	NJ—Washington (canceled by State)	Mini Tank Range.	188
1991	IN—Knox	Armory	1,376
1991	IN—Knox (force structure)	Army Aviation Spt Fac.	3,108
1992	MS—Marks (canceled by State)	Armory Alt	200
1992	PA—Everett (canceled by State)	Armory Rehab	1,750
1993	OR—Camp Withycombe (canceled by State)	Baffled Range	1,500
1990	KY—Ashland (Congress directed reprogram)	Armory	2,464
1991	OH—Muskingum County (Congress directed reprogram)	Land Acquisition.	5,670

Question. Please provide for the record a list of any projects, either in the fiscal year 1995 request, or in prior years' unobligated balances, that are no longer required due to force structure changes, base realignments or closures, mission changes, bilateral or multilateral agreement, or other reasons. Please include on the list military construction projects, family housing construction and construction improvement projects, and projects financed under the base realignment and closure accounts.

Answer. The Army Reserve had one project from the fiscal year 1991 authorization that was no longer required due to force structure changes. This project, which provided for construction of a new Reserve center at Walker, Minnesota, was cancelled in August, 1992.

There are four additional Army Reserve projects currently on hold awaiting a decision by the Army Staff. The Army Training and Doctrine Command (TRADOC) and the Army Staff (Deputy Chief of Staff, Operations and Plans) have been studying regional maintenance and medical training needs for the total Army. The four Regional Training Sites (RTS)s affected are: the RTS-Maintenance at Fort Indiantown Gap, Pennsylvania (FY90); the RTS-Maintenance at Fort Devens, Massachusetts (FY 90); the RTS-Medical at Fort Chaffee, Arkansas (FY 90); and the RTS-Maintenance at Fort Chaffee, Arkansas (FY 91). The Army Staff is expected to make a decision on these projects by the end of March, 1994.

ENVIRONMENTAL RESTORATION COSTS

Question. The Base Closure accounts are the sole source of funds for the Environmental Restoration of closure locations. Are sufficient funds included in the fiscal year 1995 budget to fully fund this work?

Answer. The fiscal year 1995 program includes adequate resources to fund all environmental restoration activities that we project to executive during that fiscal year. FY 95 is the final year of execution of the BRAC I realignments and closures mandated under Public Law 100-526. The Army does foresee a number of ongoing environmental programs that include delayed restoration and site monitoring that will be funded from the revenues generated from land sales of BRAC I real property. The BRAC 91 environ-

mental restoration program is reduced in FY 95 to \$43.2 million which supports all requirements with the exception of the total restoration of the Bureau of Land Management (BLM) parcel of Fort Ord. The FY 95 President's budget initiates the Fort Ord unexploded ordnance clean up of the BLM parcel in FY 95 with additional activities programmed in fiscal years 1996 and 1997. This adjustment was necessary due to the time phased restoration program that is the most likely scenario for the BLM parcel. The BRAC 93 environmental restoration program is fully supported in FY 95.

IMPOUNDED FISCAL YEAR 1994 FUNDS

Question. The President's rescission message dated November 1, 1993 proposed to rescind fiscal year 1994 funds from the active services and from the Reserve Components. The same total amount was rescinded in Public Law 103-211, but the details differed. Has the difference between the proposed rescission and the enacted rescission been released to you, or is it being impounded until the rescission clock expires on March 25? Are the Reserve Components being handled the same as the Services?

Answer. The Office of the Secretary of Defense has released to the Army (Active, Reserve, and National Guard) the funding difference between the proposed rescission and the enacted rescission, except for a \$5,500,000 Main Library and Reference Center at Fort Bragg, North Carolina, which is being withheld for lack of authorization.

Question. The President's rescission message dated November 1, 1993 proposed to rescind fiscal year 1994 funds from the active services and from the Reserve Components. The same total amount was rescinded in Public Law 103-211, but the details differed. Has the difference between the proposed rescission and the enacted rescission been released to you, or is it being impounded until the rescission clock expires on March 25? Are the Reserve Components being handled the same as the Services?

Answer. Yes, the difference has been released to the ARNG for obligation except for \$11.7 million being withheld by OSD because of projects which lack Authorization.

Question. The President's rescission message dated November 1, 1993, proposed to rescind fiscal year 1994 funds from the active services and from the Reserve Components. The same total amount was rescinded in Public Law 103-211, but the details differed. Has the difference between the proposed rescission and the enacted rescission been released to you, or is it being impounded until the rescission clock expires on March 25? Are the Reserve Components being handled the same as the Services?

Answer. The President's rescission message proposed rescission of fiscal year 1994 Military Construction Army Reserve (MCAR) funds in the amount of \$19,807,000. Public Law 103-211 rescinded \$2,551,000. The difference of \$17,256,000 has been released for obligation. Impoundment and release procedures contained in the Impoundment Control Act of 1974 apply equally to the Reserve Components and the Services.

DEFENSE APPROPRIATIONS BILL

Question. The budget proposes a new general provision in the Defense Appropriations Bill—Section 8056—which would permit Family Housing O&M costs to be financed under that bill. Why is this language needed, and what plans do you have for using such authority if it is granted?

Answer. That language was not proposed by the Army. The Army does not have any plans for using such authority.

FACILITIES REDUCTION PROGRAM

Question. Can you give us some measures of how your base structure has changed relative to changes in your force structure? For example, how do reduction in number of bases and total square footage of facilities relate to manpower reduction?

Answer. By FY 99, Army projects it will have reduced 32% of its FY 91 troop strength worldwide. At the same time, Army projects it will have reduced 17% of its FY 91 plant replacement value (net change). The relationship between force structure and base structure is not a linear one, however. The Army is a land-based force and trains where it lives. Other services do not. The Army is becoming more CONUS-based. In FY 91, 67% of our soldiers and 68% of our inventory were in CONUS. By FY 99, 81% of our soldiers and 77% of our inventory will be in CONUS. Some of the facilities which have been freed-up by trooper reductions overseas are being used to offset existing shortages for the remaining force. The Army will scrutinize CONUS base structure in the 1995 Base Realignment and Closure process, but the reductions will be less obvious and more difficult to achieve. Large training areas are critical to the Army's current and future readiness and modernization and are an irreplaceable resource.

BRAC IV

Question. Has your fiscal year 1995 budget request been constrained due to base structure uncertainties that will be resolved in the next round of base realignments and closures?

Answer. No. The Army's budget request was developed prior to any knowledge relative to the next round of base realignments or closures.

[CLERK'S NOTE.—End of questions for the record submitted by Chairman Hefner.]

[CLERK'S NOTE.—Questions for the record submitted by Mr. Hoyer:]

ADELPHI LABORATORY CENTER

Question. What is the status of the DoD Comptroller's hold on the construction dollars for the Adelphi Laboratory Center BRAC project? When do you anticipate a decision on release of those funds to the Army?

Answer. Construction funds for ARL's new laboratory facilities at Adelphi, Maryland, are being withheld by OSD pending resolution by the General Counsel and Comptroller on draft DoD IG audit recommendations. The decision to proceed or continue withholding construction funds is with the Director, Defense Research and En-

gineering (DDR&E). DDR&E has indicated they would make a decision after discussing the issue with the Defense Science Board. The Secretary of the Army for Research, Development and Acquisition (SARDA) has a number of questions to be answered that were raised by DDR&E. These questions have been answered and provided to DDR&E. A resolution could be forthcoming this week.

Question. What will be the impact on the Army's microelectronics research capability if construction delays extend the completion of the Adelphi Laboratory Center project beyond the FY 97 requirement to complete the move of the microelectronics mission?

Answer. The following impacts can be expected to result if funds for ARL BRAC construction are not released for contract awards in May for Adelphi:

Inability to complete consolidation of research activities impacting 461 people at 4 locations, by the BRAC 91 deadline of July 1997.

Inability to complete the BRAC 93 requirement to consolidate functions on Fort Monmouth. The Army's Electronic Power Sources Directorate (EPSD) must consolidate at Adelphi to make room for engineering organizations from Vint Hill Farms Station and the Evans subpost currently scheduled to realign at Fort Monmouth.

Create additional uncertainty among the high-tech, scientific ARL workforce. If changed this would be the second change since 1991.

Loss of \$6.6 million in the FY 95 Military Construction Army (MCA) program.

Question. The Adelphi Laboratory Center project involves a number of realignments and several phases of construction. Can these phases be independent of each other so that some could begin while the Inspector General's issues are being addressed?

Answer. Yes. The Adelphi project is in four phases. The first three of which are tied together and, if started, should go forward to completion. The 4th phase is separate and independent and could be withheld without affecting the other 3 phases.

[CLERK'S NOTE.—End of questions for the record submitted by Mr. Hoyer.]

THURSDAY, MARCH 3, 1994.

U.S. NAVY AND MARINE CORPS

WITNESSES

REAR ADMIRAL JACK E. BUFFINGTON, CEC, U.S. NAVY
BRIGADIER GENERAL CLAUDE W. REINKE, UNITED STATES MARINE
CORPS, DIRECTOR, FACILITIES AND SERVICES DIVISION, OFFICE OF
THE DEPUTY CHIEF OF STAFF, INSTALLATIONS AND LOGISTICS
REAR ADMIRAL JOHN T. NATTER, U.S. NAVAL RESERVE, DEPUTY DI-
RECTOR OF NAVAL RESERVE

STATEMENT OF THE CHAIRMAN

Mr. HEFNER. The committee will come to order.

I am happy to have you gentlemen with us here this morning. Today we will review the fiscal year 1995 program for military construction, family housing, and base closure for the Navy, Marine Corps, and Naval Reserve. Our witnesses are Admiral Jack Buffington; Brigadier General Claude Reinke and Admiral John Natter.

We want to thank you gentlemen for appearing, and your prepared statements will be inserted into the record in full. You can summarize, and you can proceed in any way you see fit.

STATEMENT OF REAR ADMIRAL JACK E. BUFFINGTON

Admiral BUFFINGTON. Okay. Mr. Chairman and Members of Congress, I am Jack Buffington, with me are Claude Reinke and Jack Natter. It is a real honor to be here and we appreciate everything that your committee has done for us for the last six years. You have given either what we asked for or more than what we asked for on every occasion. Our request for this year is lower than the 1994 request and reflects the Departments Milcon priority investment program. We are asking for 320 million here in 1995. We asked for 655 million in 1994 and 368 in 1993.

This year, we have only programmed nondeferrable, essential mission support, critical quality of life, and environmental and safety projects. We have tried to work real hard to keep the quality of life up through all these periods of lesser funding, and we have kept about 33 percent of our total Budget going to quality of life projects at this time, six BEQs and five or six child development centers. About 27 percent is going to environmental and safety, and 24 percent to mission support, about 16 percent to planning and design of new facilities and our UMC program.

Overseas, we only have six projects, totaling \$42 million. \$41 million of that is quality of life projects, BEQs and child development centers.

Family housing, we are asking for 1.1 billion, basically, this year versus 1.2 from last year and we are only building 332 new homes.

Those are in San Diego and Camp Pendleton. And then we are leasing about 2,600 units, eight different locations around the world.

And base closure, we have in the first three rounds about 136 installations closed or realigned, actually closed 99 and realigning 37. As we work towards our six-year deadline, it is going to become real important we get all these projects under way and everything. The FY94 rescission has hurt us a bit.

It is an honor to be here today. We are ready to answer any questions.

[Prepared statement of Rear Admiral Jack E. Buffington follows:]

NOT FOR PUBLICATION UNTIL
RELEASED BY THE HOUSE
ARMED SERVICES COMMITTEE

STATEMENT OF
REAR ADMIRAL JACK E. BUFFINGTON, CEC, U.S. NAVY
BEFORE THE
SUBCOMMITTEE ON
MILITARY CONSTRUCTION
OF THE
HOUSE APPROPRIATIONS COMMITTEE
ON
THE FISCAL YEAR 1995
BUDGET SUBMISSION FOR
MILITARY CONSTRUCTION AND FAMILY HOUSING, NAVY
MARCH 3, 1994

NOT FOR PUBLICATION UNTIL
RELEASED BY THE HOUSE
ARMED SERVICES COMMITTEE

**REAR ADMIRAL JACK E. BUFFINGTON
CIVIL ENGINEER CORPS, UNITED STATES NAVY**



Rear Admiral Jack E. Buffington, CEC, USN, a native of Westville, Okla., and a graduate of the University of Arkansas in civil engineering, was commissioned in February 1962. He assumed duty as Commander, Naval Facilities Engineering Command, and Chief of Civil Engineers on Sept. 18, 1992.

RADM Buffington's first assignment was in public works at the New York Naval Shipyard. Following a tour as Aide and Flag Lieutenant to Director, Bureau of Yards and Docks, U.S. Atlantic Fleet, he reported to Naval Mobile Construction Battalion Nine, serving as Company Commander on Okinawa, on a detail in Alaska, and Officer in Charge of Seabee Team 0906 in Vietnam. RADM Buffington served in the Seabee Division at the Bureau of Yards and Docks, and later at Naval Facilities Engineering Command, Alexandria, Va.

Following postgraduate school at Georgia Tech, RADM Buffington reported to Public Works Center Subic Bay, Philippines, as Planning Officer. His next assignment was Executive Officer of Naval Mobile Construction Battalion Four in Okinawa and in Rota, Spain, followed by a tour as Operations Officer at PWC Subic.

RADM Buffington's next duty station was Assistant Resident Officer in Charge of Construction, New Orleans, followed by duty at the Armed Forces Staff College, Chief of Naval Operations Equal Opportunity Task Force, and Resident Officer and later Officer in Charge of Construction, Bethesda. Following that, RADM Buffington became Commanding Officer of Naval Mobile Construction Battalion One. While Commanding Officer, NMCB One won Best of Type and the Peltier Award as the top Seabee battalion in the Navy and led all battalions in retention, winning the Commander in Chief, Atlantic Fleet Golden Anchor Award. RADM Buffington's next tour was Public Works Officer at the Naval Academy followed by duty as Commander, Naval Construction Battalions, U.S. Atlantic Fleet. As COMCBLANT, RADM Buffington was in charge of Seabees working in Europe, Africa, the Caribbean, and Central America. RADM Buffington was Commanding Officer, Navy Public Works Center, Norfolk, Va., and then Director, Shore Activities Division (OP-44), Deputy Chief of Naval Operations (Logistics). In 1990, he reported as Commander, Pacific Division, Naval Facilities Engineering Command, and Commander, Naval Construction Battalions, U.S. Pacific Fleet. He was promoted to rear admiral (upper half) Oct. 1, 1991.

RADM Buffington's decorations include the Distinguished Service Medal, Legion of Merit with three gold stars, Meritorious Service Medal, Navy Commendation Medal with two gold stars, Navy Achievement Medal, Vietnamese Medal of Merit Second Class, and various other personal campaign and service medals.

RADM Buffington is the son of Ernest and Maxine Buffington of Westville, Okla., and is married to the former Robin Bush of Lakeland, Fla. They have two daughters: Shawn, who is married to Captain Kurt Lohrmann, USMC, and Kelly, who is married to Specialist Brian Corey, USA.

Mr. Chairman, I am Rear Admiral Jack E. Buffington, Commander of the Naval Facilities Engineering Command. I appreciate the opportunity to represent the Secretary of the Navy and the Chief of Naval Operations in reviewing the Fiscal Year 1995 budget submission for Military Construction, Navy and Family Housing, Navy, and the Navy's portion of the Base Closure budget with you. Brigadier General Claude W. Reinke, United State Marine Corps, will review the Marine Corps' portion of the request, and Rear Admiral John T. Natter, U.S. Navy is here to address the Navy reserve Military Construction Program.

First, I would like to thank you for the continued support this Committee has provided the Navy's Military Construction and Family Housing programs. In the past six years, your Committee has supported funding levels commensurate with, or above, our budget requests. This support has enabled us to make progress in improving the Quality of Life for our sailors and marines, and correcting critical facility deficiencies.

Our Military Construction and Family Housing requests this year are lower than our fiscal year 1994 request, and are slightly higher than our "Paused" Fiscal Year 1993 amended request. This reduced request reflects the Secretary of Defense's Military Construction Priority Investment Program.

The Navy is currently implementing two domestic base closure and realignment authorizations: 1). Defense Authorization Amendments and Base Closure and Realignment Act for Fiscal Year 1989 (PL 100-526), referred to as "BRAC 88"; and Defense Base Closure and Realignment Act of 1990 (PL 101-510). Two Commissions have recommended actions under this second authority, one in 1991, referred to as "BRAC 91", and a second in 1993, referred to as "BRAC 93". Under BRAC 88, the Navy is closing six (6) installations and realigning two (2). Under BRAC 91 eighteen (18)

Naval installations are to be closed while eighteen (18) activities are realigned. BRAC 93 recommends closing thirty-six (36) Active and thirty-nine (39) Reserve installations, realigning seventeen (17) installations, and implementing six (6) changes to the 1991 BRAC Commission recommendations.

The budget numbers to be discussed are reflective of a time in which we are reevaluating our facility needs in light of the uncertainties surrounding future force structure levels and supporting base structure, and an austere fiscal environment. We have made every effort to ensure that within the available funds, our budget includes only those non-deferrable requirements, essential in Fiscal Year 1995. The Navy continues to maintain its commitment to provide excellence in our facilities and an improved quality of life for our sailors, marines and civilians.

MILITARY CONSTRUCTION

The Fiscal Year 1995 budget request for Military Construction, Navy is \$320.5 million. This requested amount is lower than our Fiscal Year 1994 request of \$655.1 million and our Fiscal Year 1993 appropriated amount of \$368.9 million.

We have made a concentrated effort to ensure that within the funds available, our budget request provides funding for non-deferrable Essential Mission Support, Critical Quality of Life, and Environmental and Safety Compliance projects, necessary to support our operating forces. Our budget reflects a consistent increase in support of Quality of Life projects, such as construction and modernization of bachelor quarters, while maintaining a balanced funding of Essential Mission Support and Environmental and Safety Compliance projects.

The Navy's Military Construction request includes 43 projects, compared to 104 requested in Fiscal Year 1994, and, in accordance with the Priority Investment Program, funds only those requirements that are non-deferrable. Each of the requested projects meets one or more of the following program objectives:

<u>PROGRAM OBJECTIVE</u>	<u>PROJECTS</u>	<u>(MILLIONS)</u>	<u>% of PROGRAM</u>
Environmental and Safety Compliance	17	\$85	27
Quality of Life	16	\$107	33
Mission Support	10	\$78	24
P&D and UMC	N/A	\$50	16
	43	\$320M	100%

As indicated in the table above, the Navy's request represents a balance of Environmental and Safety Compliance, Quality of Life, and Mission support projects. Each of these Program Objectives include both new requirements and replacement and modernization projects.

The \$85 million requested for Environmental and Safety Compliance projects includes construction or upgrades to: 10 sanitary and waste water treatment systems; an oil spill prevention facility; a fuel storage facility; a hazardous/flammable storage facility; an abrasive blast facility; and a fire fighting training facility. These projects will correct existing violations of Environmental and Safety laws, regulations and codes.

To improve the Quality of Life for our sailors and marines, this budget requests \$107 million for the construction, or modernization, of six barracks providing 1680 new and replacement living quarters, five child development centers, and five fitness/recreation/religious facilities. Quality of Life projects account for approximately one-third of the Navy's Fiscal Year 1995 Military Construction request, compared to only 15 to 25 percent of recent years' programs.

We have requested \$85 million for facility replacement, modernization and improvements, as part of our Environmental and Safety Compliance, Quality of Life, and Mission Support categories. This equates to approximately 25 percent of our Military Construction budget. The Navy anticipates placing additional emphasis on the replacement and modernization of our aging shore establishment in future budgets. Efficient facilities that enhance productivity, improve quality of life in the workplace and reduce the cost of ownership will be essential as budget, personnel and force structure continue to draw down.

The Fiscal Year 1994 request for Navy Military Construction overseas projects was \$42.2 million. I respectfully request that you give favorable consideration to our slightly larger, but critical, \$49.1 million request this year. This year's overseas program includes four Quality of Life projects: Barracks at both Naples and Sigonella, Italy; a Fitness/Child Care Center at Naples, Italy; and a Child Development Center at St. Mawgan, UK. Additionally, there is a Safety compliance project for a new parking apron at Souda Bay, Greece.

FAMILY HOUSING

The Department of the Navy's total Fiscal Year 1995 budget request for family housing is \$1,082.9 million. This funding level reflects Navy leadership's continued commitment to

its premier Quality of Life program, by providing the necessary resources for the "Neighborhoods of Excellence" program. This program will upgrade our aging inventory, provide quality customer services to our families, and acquiring a limited number of new homes in keeping with our reduced force level. The following table summarizes our Fiscal Year 1995 request in comparison to our Fiscal Year 1994 budget request:

FAMILY HOUSING REQUEST SUMMARY

(Millions of Dollars)

	<u>FY1994</u>	<u>FY1995</u>
New Construction	\$160.1	\$49.0
Improvements	\$190.7	\$155.6
Planing and Design	\$22.9	\$24.7
Family Housing Support	\$835.1	\$853.6
Total	\$1,208.8	\$1,082.9

The Fiscal Year 1995 request provides for 332 new homes at two locations. The new homes support families stationed in the San Diego area and at Marine Corps Base, Camp Pendleton, locations with our most severe housing shortages. Also included in this request are the replacement of inadequate housing offices and construction of a warehouse to store appliances and self-help materials.

This request includes \$155.6 million for the Improvements program to revitalize our aging homes and bring them up to contemporary standards, comparable to those found in the local community. In keeping with the Neighborhoods of Excellence concept, our Fiscal Year 1995 request emphasizes whole-neighborhood revitalization projects in which all required improvements and repairs in a housing area are done concurrently.

Our leasing request of \$114.3 million supports our ongoing domestic build-to-lease projects and the foreign leasing program. The Navy has 2,640 build-to-lease units occupied at eight locations. An additional 414 homes, that are part of a joint Navy/Air Force project, are under construction in Prince George's County, Maryland.

Our Operations and Maintenance request of \$739.2 million includes \$355.9 million for Operations and utilities and \$383.3 million for maintenance. The increase in the operations accounts, over our Fiscal Year 1994 request, will assist families in finding affordable housing on the economy by enhancing housing referral services through expanded office hours, automated housing/neighborhood listings and information, and showing services. The increase in the maintenance account will allow for an expanded self-help program, service calls performed evenings and weekends and minor repairs to reduce the repair backlog.

BASE CLOSURE

As I mentioned, the Navy is currently implementing two domestic base closure and realignment authorizations: (1) the Defense Authorization Amendments and Base Closure and Realignment Act (P.L. 100-526), referred to as "BRAC 88" and; (2) the Defense Base Closure and Realignment Act of 1990 (P.L. 101-510), which established three "rounds" of base closure nomination in 1991, 1993, and 1995. Under BRAC 88, the Navy is closing six installations and realigning one. As a result of the 1991 recommendations, referred to as "BRAC 91", the Navy is closing eighteen (18) installations and realigning eighteen (18) activities. The 1993 recommendation, referred to as "BRAC 93", is closing thirty-six (36) active Navy installations and thirty-nine (39) Navy and Marine Corps reserve installations.

Our base closure implementation plans are on schedule to meet or precede the six-year closure deadline, with the exception of some environmental restoration actions. We intend to put in place interim leases where possible to transfer closing bases as soon as all clean-up actions are complete.

The Navy has established action offices, within existing organizational structures, to most effectively execute base closure actions. The Assistant Secretary of the Navy (Installations and Environment), and the Chief of Naval Operations provide policy and oversight. The base commanders of affected installations plan, budget, and execute the closures or realignments. The Naval Facilities Engineering Command provides design, construction, environmental studies and cleanup, real estate disposal actions. In March 1993, Naval Facilities Engineering Command was assigned the additional responsibility of maintaining closed bases and monitoring environmental clean-up.

The Navy's portion of the Fiscal Year 1995 domestic base closure estimate is \$ 284.3 Million for BRAC 91, and \$ 1.83 Billion for BRAC 93. No funding is requested for BRAC 88 actions. Of these amounts, approximately \$1.08 Billion are for military construction and family housing projects required to relocate activities from closing bases. The Navy is aggressively managing its BRAC-93 program in accordance with the President's Five-Part Program to make property available to local communities for job oriented reuse as quickly as possible, thus the large requirement identified for Fiscal Year 1995. The following table illustrates the funding profiles and total costs for fiscal years 1990 through 1997.

Base Closure 1988

(Millions of Dollars)

	<u>FY90</u>	<u>FY91</u>	<u>FY92</u>	<u>FY93</u>	<u>FY94</u>	<u>FY95</u>	
ONE TIME COSTS	\$79	\$70	\$36	\$97	\$0	\$0	<u>1/</u>
SAVINGS	-8	-26	-77	-66	-81	-77	
	\$71	\$44	\$-41	\$31	\$-81	\$-77	

Base Closure 1991

(Millions of Dollars)

	<u>FY92</u>	<u>FY93</u>	<u>FY94</u>	<u>FY95</u>	<u>FY96</u>	<u>FY97</u>	
ONE TIME COSTS	\$68	\$352	\$663	\$284	\$388	\$107	<u>1/</u>
OTHER APPOPS	\$41	\$0	\$0	\$0	\$0	\$0	
SAVINGS	\$-99	\$-136	\$-302	\$-490	\$-564	\$-574	
	\$10	\$216	\$361	\$-206	\$-176	\$-467	

Base Closure 1993

(Millions of Dollars)

	<u>FY94</u>	<u>FY95</u>	<u>FY96</u>	<u>FY97</u>	<u>FY98</u>	<u>FY99</u>	
ONE TIME COSTS	\$789	\$1827	\$2128	\$537	\$343	\$134	<u>1/ 2/</u>
SAVINGS	\$-98	\$-204	\$-692	\$-1040	\$-1245	\$-1391	
	\$691	\$1623	\$1436	\$-503	\$-902	\$-1257	

1/ Excludes Anticipated land sale revenue.2/ Does not reflect impact of FY94 rescission

Impact of the recent rescission of \$507,692,000 from the Fiscal Year 1994 DoD BRAC-93 account on the Navy's program has not yet been determined. We will monitor and adjust the program to meet the most critical requirements first, within the funds available. As a result, the Navy may have to reassess some of its aggressive closure schedules.

Environmental Considerations are a significant part of the execution of base closure actions, especially for BRAC 91 and BRAC 93. As part of the Navy's ongoing environmental management efforts, more than 160 sites requiring remedial action have been identified. Four of the BRAC 91 closure installations are included on the National Priority List (NPL), and cleanup of these installations is expected to extend beyond the six-year closure window. Additionally, it is anticipated that some of the BRAC 93 sites may also be included on future NPL listings. The Navy is continuing to coordinate with DoD, Federal, State and local regulatory agencies to expedite our restoration efforts.

In addition to domestic base closure actions, the Navy continues to pursue overseas closure and realignment actions. Our overseas base structure is relatively small, with only nineteen (19) bases of any significant size. Each of these bases is linked to forward deployment of Fleet and Marine Corps units. Accordingly, any overseas base structure changes would generally be tied to changing needs of the Fleet or specific changes in international relations. Since 1990, the Navy has begun actions to return (close) six overseas bases (25 sites), including Naval Support Activity (NSA) Holy Loch, United Kingdom, and the Subic Bay/Cubi Point complex in the Philippines. Additionally, we are reducing (realigning) three other minor bases in response to such things as improved communications technology.

Base closure and realignment actions provide the Navy the opportunity to reduce facility costs, concurrent with force structure draw-down, and in keeping with the fiscal realities

with which we are faced. Along with these benefits, however, come the potential negative impacts on our sailors and marines, their families, our civilian employees and the neighboring communities. As we progress through the base closure process, we are striving to remain sensitive to these negative impacts and are working to minimize them.

CONCLUSION

Mr. Chairman, the request before you includes those facility requirements considered essential in Fiscal Year 1995, commensurate with our projected force structure, and vital quality of life facility initiatives. We urge your favorable consideration of this request.

I will be pleased to answer questions you and the subcommittee members may have.

STATEMENT OF BRIGADIER GENERAL CLAUDE W. REINKE

Mr. HEFNER. General.

General REINKE. Yes, sir. Sir, it is a pleasure to be here again this year, same as last year. Again, I would like to thank you for your past support. You have given us some modern, high quality facilities that have contributed significantly to the improved mission capability of our Corps.

This year, other military construction in the family housing budget reflects an increase of 21 percent for the family housing program and a decrease of 54 percent for the military construction program. Even with this modest increase in the family housing program, our request is considered to be the absolute minimum required for mission accomplishment.

The reduction in military construction funding levels shouldn't be interpreted as a declining need for quality facilities but rather in response to a very difficult budget decision that reflects keen competition for scarce resources.

As in past years, readiness, environmental compliance, and quality of life are our highest priorities and they are reflected in our 1995 program. Base closure continues to be a MILCON challenge. We support the Closure Commission's recommendations and we are attempting to move out as smartly as we can.

In summary, again, sir, I want to thank you for your past support. Our military construction, family housing and reserve construction for 1995 are very austere but we consider them to be the absolute minimum to do our job, and we appreciate your continued support, sir.

[Prepared statement of Brigadier General Claude W. Reinke follows:]

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BY THE HOUSE APPROPRIATIONS COMMITTEE

STATEMENT OF
BRIGADIER GENERAL CLAUDE W. REINKE
UNITED STATES MARINE CORPS
DIRECTOR, FACILITIES AND SERVICES DIVISION
OFFICE OF THE DEPUTY CHIEF OF STAFF
INSTALLATIONS AND LOGISTICS
BEFORE THE
MILITARY CONSTRUCTION SUBCOMMITTEE
OF THE
HOUSE APPROPRIATIONS COMMITTEE
CONCERNING THE
FISCAL YEAR 1995 MILITARY CONSTRUCTION,
FAMILY HOUSING AND RESERVE PROGRAMS, AND BASE CLOSURE
ON
3 MARCH 1994

NOT FOR PUBLICATION UNTIL RELEASED
BY THE HOUSE APPROPRIATIONS COMMITTEE

UNITED STATES MARINE CORPS

HEADQUARTERS MARINE CORPS, DIVISION OF PUBLIC AFFAIRS
WASHINGTON, D.C. 20380, (703) 614-4309



BRIGADIER GENERAL CLAUDE W. REINKE, USMC

Brigadier General Claude W. Reinke is the Assistant Deputy Chief of Staff for Installations and Logistics, (Facilities), Headquarters Marine Corps, Washington, D.C.

General Reinke was born on Nov. 18, 1942, in Bay City, Texas. After completing the Platoon Leaders Class program and graduating from Sam Houston State College with a B.S. degree, he was commissioned a second lieutenant in the Marine Corps in May 1965.

In 1967, after completing The Basic School at Quantico, Va., he served as a Platoon Commander and Company Executive Officer in the 5th Marine Division, and as a Company Commander in the Infantry Training Regiment at the Marine Corps Base, Camp Pendleton, Calif.

Ordered overseas, General Reinke served a tour as Company Commander with the 3d Marine Division in Vietnam. He then returned to The Basic School, for duty as a Staff Platoon Commander.

His subsequent assignments have included duties as the Marine Officer Instructor, NROTC Unit at the University of Minnesota; Platoon Tactics Instructor at The Basic School; Company Commander and Battalion S-4 with the 3d Battalion, 4th Marines on Okinawa; Parade Commander and the Executive Officer of MCI at Marine Barracks, Washington, D.C.; the Assistant Naval Attache in Athens, Greece; G-3 Operations Officer, 1st Marine Division; G-3 of the 5th Marine Expeditionary Brigade; Commander of the 2d Battalion, 9th Marines; Head of the Eastern Regional Branch, Plans Division, Headquarters Marine Corps; and Commanding Officer of the Officer Candidates School, Quantico.

In July 1989, he assumed duty as the Chief of Staff, 3d Marine Division. While serving in this capacity, he was selected in December for promotion to brigadier general. Upon advancement to his present grade on July 2, 1990, he was assigned duties as Commanding General, Marine Corps Base, Camp S.D. Butler/Deputy Commander, Marine Corps Bases, Japan. General Reinke assumed his current assignment on Aug. 24, 1992.

General Reinke has attended the Amphibious Warfare School and the Command and Staff College, Quantico; the Foreign Service Institute in Washington, D.C., where he completed modern Greek language training and the Defense Intelligence School's Attache Course. In 1985, he graduated from the National War College, Washington, D.C., where he was also a Senior Fellow.

His personal decorations include: the Legion of Merit; Bronze Star Medal with Combat "V"; Meritorious Service Medal; and the Combat Action Ribbon.

Brigadier General Reinke is married to the former Abby Holley of LaCrosse, Wisconsin. They have five children: Kathryn, Kari, Kelli, Kati and Christopher.

(Revised Dec. 3, 1992 HQMC)



MR. CHAIRMAN AND MEMBERS OF THE COMMITTEE:

I AM BRIGADIER GENERAL CLAUDE W. REINKE, DIRECTOR, FACILITIES AND SERVICES DIVISION, INSTALLATIONS AND LOGISTICS DEPARTMENT, HEADQUARTERS, U.S. MARINE CORPS. I APPRECIATE THE OPPORTUNITY TO APPEAR BEFORE YOU TODAY TO REVIEW THE MARINE CORPS MILITARY CONSTRUCTION, FAMILY HOUSING, RESERVE CONSTRUCTION, AND BASE CLOSURE PROGRAMS FOR FISCAL YEAR 1995.

THE MARINE CORPS MILITARY CONSTRUCTION AND FAMILY HOUSING PROGRAMS CONSTITUTE APPROXIMATELY .6 AND 1.7 PERCENT, RESPECTIVELY, OF THE TOTAL MARINE CORPS BUDGET FOR FISCAL YEAR 1995. THESE PERCENTAGES REFLECT AN INCREASE OF 21 PERCENT FOR THE FAMILY HOUSING PROGRAM AND A DROP OF 54 PERCENT FOR THE MILITARY CONSTRUCTION PROGRAM. THESE CHANGES WERE PRECIPITATED BY DEPARTMENT OF DEFENSE REVIEW AND MANAGEMENT INITIATIVES.

THE "BOTTOM UP" REVIEW BY THE DEPARTMENT MAINTAINS MARINE CORPS END-STRENGTH AT 174,000. MANPOWER, PROCUREMENT, OPERATIONS, AND FAMILY SUPPORT REQUIRED A COMMENSURATE INCREASE FROM THE BASE FORCE TO FINANCE THE NEW END-STRENGTH. THIS INCREASE, IN TURN, LOWERED THE AMOUNT OF FUNDS AVAILABLE FOR INVESTMENT IN MILITARY CONSTRUCTION. CHART 1 ILLUSTRATES THE DIFFICULTY THAT THE MARINE CORPS FACES WHEN DETERMINING AN ADEQUATE FUNDING LEVEL FOR MILITARY CONSTRUCTION. THE PORTION OF THE MARINE CORPS BUDGET DEVOTED TO MILITARY CONSTRUCTION, FAMILY HOUSING CONSTRUCTION, AND PROCUREMENT NO LONGER HAS THE RESOURCES TO SUPPORT LARGE INFRASTRUCTURE INVESTMENT.

FURTHER, THE SECRETARY OF DEFENSE REVIEW OF THE MILITARY CONSTRUCTION PROGRAM DETERMINED THAT "UNCERTAINTIES THAT SURROUNDED FUTURE FORCE STRUCTURE AND LARGE EXISTING

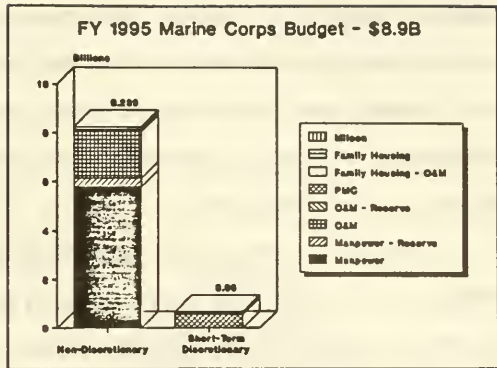


Chart 1

INFRASTRUCTURE INVENTORY DICTATE THAT THE DEPARTMENT'S INVESTMENT IN NEW AND REPLACEMENT FACILITIES BE HELD TO THE ABSOLUTE MINIMUM." AS A RESULT WE ARE PROPOSING A MILITARY CONSTRUCTION PROGRAM SIGNIFICANTLY REDUCED FROM THE 1994 LEVEL, AND, IN KEEPING WITH DEPARTMENT OF DEFENSE STRATEGY, A CAREFUL, STUDIED APPROACH TO INFRASTRUCTURE INVESTMENT.

THE FOLLOWING SECTIONS PROVIDE MORE DETAILED INFORMATION REGARDING EACH OF THE PROGRAMS BEING ADDRESSED TODAY.

MILITARY CONSTRUCTION

OUR MILITARY CONSTRUCTION REQUEST FOR \$50 MILLION IN FISCAL YEAR 1995 IS A SHARP REDUCTION FROM OUR 1994 PROGRAM. DESPITE THE PROGRAM SIZE, THIS MILITARY CONSTRUCTION PROGRAM WILL PROVIDE THE BASIC RESOURCES NEEDED TO SUPPORT THE MARINE CORPS' MOST IMMEDIATE NEEDS TO COMPLY WITH ENVIRONMENTAL LAWS, PROVIDE SOME QUALITY OF LIFE FEATURES, AND SUPPORT IMPROVED OPERATIONAL AND

TRAINING CAPABILITIES AT OUR INSTALLATIONS. PROPOSED FUTURE YEAR BRAC FUNDING FOR NEW CONSTRUCTION WILL PROVIDE FACILITIES TO MEET MOST MARINE CORPS REQUIREMENTS TO IMPLEMENT CLOSURE AND REALIGNMENT OF MCAS, EL TORO AND MCAS, TUSTIN TO NAS MIRAMAR AND MCAS, CAMP PENDLETON.

ALTHOUGH THE FISCAL YEAR 1995 MILITARY CONSTRUCTION PROGRAM IS ABOUT HALF OF THE FISCAL YEAR 1994 PROGRAM, THE REDUCTION FROM THE 1994 LEVEL OF \$118 MILLION SHOULD NOT BE INTERPRETED AS A DECLINING NEED FOR FACILITIES. RATHER, IT IS A RESULT OF DIFFICULT BUDGET DECISIONS; INCLUDING BASE CLOSURE DECISIONS, THAT IN TURN REFLECT THE KEEN COMPETITION FOR SCARCE RESOURCES.

THESE DIFFICULT BUDGET DECISIONS HAVE REQUIRED THE MARINE CORPS TO CONCENTRATE ITS TRADITIONALLY LEAN BUDGETARY POSTURE ON THE ABSOLUTE ESSENTIALS. IN THE MILITARY CONSTRUCTION PROGRAM WE HAVE GIVEN PRIORITY TO ESSENTIALS SUCH AS ENVIRONMENTAL COMPLIANCE, QUALITY OF LIFE, AND OPERATIONS AND TRAINING. EVEN WITH THIS SMALL PROGRAM ROOM WAS MADE IN FISCAL YEAR 1995 FOR CRITICAL PROJECTS, SUCH AS THE BACHELOR ENLISTED QUARTERS FOR THE MARINE CORPS SECURITY FORCE BATTALION IN NORFOLK, VA, SEWAGE TREATMENT UPGRADES AT MCCDC, QUANTICO, VA, AND TRAINING RANGE DEVELOPMENT AT MCAGCC, TWENTYNINE PALMS, CA, AND MCB, CAMP

LEJEUNE, NC. TO MINIMIZE THE IMPACT OF CONSTRAINED RESOURCES, WE REMAIN COMMITTED TO TAKING CARE OF WHAT WE HAVE BEFORE BUILDING NEW.

CHART 2 DEPICTS

OUR PROGRAM SINCE 1980.

WHILE THE SHARP DECLINE

CAUSED BY THE 1993

MILITARY CONSTRUCTION

PAUSE WAS REVERSED IN

FISCAL YEAR 1994, THE

PROPOSED 1995 MILITARY

CONSTRUCTION PROGRAM

RETURNS TO ALMOST THE

SAME LEVEL AS THE 1993 PAUSE BECAUSE OF OVERALL BUDGETARY

CONSTRAINTS. HOWEVER, THIS REDUCTION IN FUNDS IS MORE THAN OFFSET

BY THE FUTURE YEAR FUNDS THAT HAVE BEEN REQUESTED FOR BASE

CLOSURE IMPLEMENTATION. NEW FACILITIES PROPOSED FOR CONSTRUCTION

AT NAS MIRAMAR FOR THE MARINE CORPS ARE REQUIRED TO

ACCOMMODATE THE INCREASED LOADING AND CHANGE IN OPERATIONAL

REQUIREMENTS FOR HELICOPTER ACTIVITIES.

CHART 3 SHOWS OUR \$2.5 BILLION BACKLOG IN MILITARY

CONSTRUCTION. THIS BACKLOG HAS BEEN REDUCED FROM \$2.7 BILLION FOR

TWO REASONS. MARINE CORPS ACTIVITIES CONTINUE TO EVALUATE THEIR

PROJECT REQUESTS AND MAKE HARD DECISIONS IN LIGHT OF REDUCED

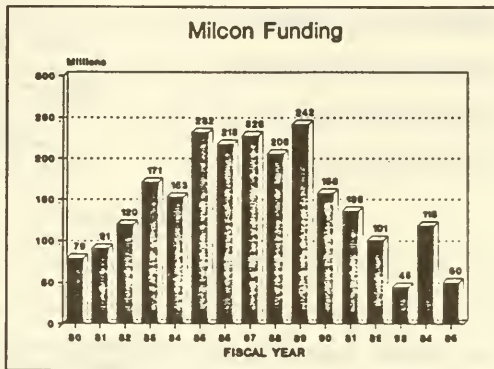


Chart 2

FORCE STRUCTURE AND INCREASED FISCAL CONSTRAINTS. SECONDLY, ALMOST \$100 MILLION IN PROPOSED CONSTRUCTION AT MCAS, EL TORO, CA WAS ELIMINATED.

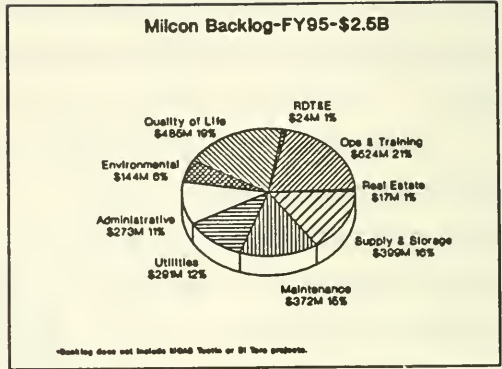


Chart 3

CHART 4, DEPICTS BY CATEGORY, OUR HISTORICAL MILITARY CONSTRUCTION PROGRAM FUNDING LEVELS AND COMPARES THEM TO OUR FISCAL YEAR 1995 REQUEST. FORTUNATELY, WE WERE ABLE TO FUND IMPORTANT QUALITY OF

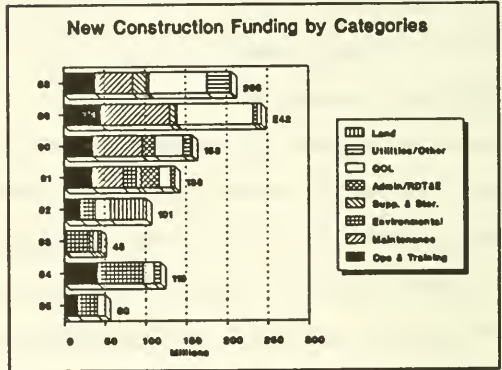


Chart 4

LIFE AND OPERATIONAL AND TRAINING REQUIREMENTS, BUT WE CONTINUE TO FACE THE REQUIREMENT TO PROVIDE THE LION'S SHARE OF THE PROGRAM TO FUND ENVIRONMENTAL COMPLIANCE PROJECTS.

CONGRESSIONAL SUPPORT IN THE PAST REFLECTS A DEEP

APPRECIATION FOR THE RELATIONSHIP BETWEEN FACILITIES AND WARFIGHTING CAPABILITY. MODERN, HIGH QUALITY FACILITIES HAVE CONTRIBUTED SIGNIFICANTLY TO IMPROVED MISSION CAPABILITY, PRODUCTIVITY, READINESS AND SUSTAINABILITY. THE FISCAL YEAR 1995 NEW CONSTRUCTION REQUEST FURTHERS OUR COMMITMENT TO OUR ULTIMATE GOAL: FACILITIES OF THE HIGHEST QUALITY THAT FULLY SUPPORT ALL OF OUR MISSION REQUIREMENTS.

FAMILY HOUSING

THE MARINE CORPS IS COMMITTED TO IMPROVING THE QUANTITY AND QUALITY OF OUR FAMILY HOUSING ASSETS. CHART 5 DEPICTS THE FAMILY HOUSING BUDGET SINCE FISCAL YEAR 1990. AS INDICATED IN THIS CHART, OUR FISCAL YEAR 1995 FAMILY HOUSING PROGRAM REFLECTS THIS PHILOSOPHY.

IN RECENT YEARS WE HAVE EMPHASIZED WHOLE HOUSE REVITALIZATION WHICH TAKES A BASICALLY SOUND STRUCTURE AND RECONFIGURES AND MODERNIZES THE STRUCTURE AT LESS THAN THE COST OF NEW CONSTRUCTION. THE WHOLE HOUSE RENOVATIONS AT MCAS, BEAUFORT, SC AND MCB, CAMP

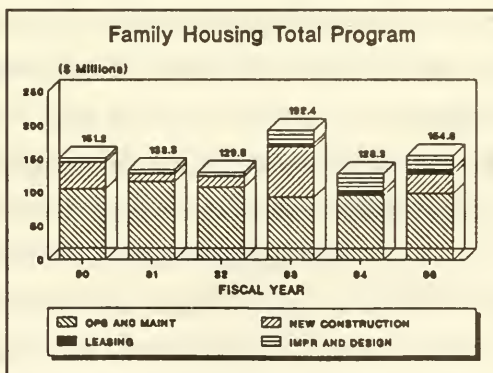


Chart 5

LEJEUNE, NC ARE TWO MAJOR PROJECTS UNDER THIS PROGRAM. THESE UNITS HAVE PASSED THE TEST OF CONSTRUCTION INTEGRITY AND ECONOMIC ANALYSES. PRIOR TO THE DEVELOPMENT OF PLANS OR SPECIFICATIONS, AN EXTENSIVE EVALUATION OF SCOPE AND NEED IS DEVELOPED TO ENSURE OUR INVESTMENT IS SOUND AND IS THE MOST LOGICAL AND ECONOMICAL APPROACH. IN THE CASE OF THE PROJECT PROGRAMMED FOR MCAGCC, TWENTY-NINE PALMS, CA IT HAS BEEN ESTABLISHED THAT REPLACEMENT IS THE BEST APPROACH. THIS DETERMINATION WAS ACHIEVED PRIMARILY AS A RESULT OF "SAMPLE" HOUSES. THE CONTRACTOR STRIPPED THE UNIT AND WAS TO REBUILD IT ACCORDING TO THE SPECIFICATIONS OF THE REVITALIZATION CONTRACT. COST AND EXTENSIVE STRUCTURAL DEFICIENCIES MADE REPAIRING THE HOUSES UNREASONABLE AND THEREBY DETERMINED THAT REPLACEMENT WAS THE APPROPRIATE CORRECTIVE ACTION. THE SAMPLE HOUSE MODEL METHOD HAS BEEN VERY EFFECTIVE IN DETERMINING REQUIREMENTS FOR LARGE WHOLE HOUSE REVITALIZATION PROJECTS. IT PROVIDES THE HOUSING DIRECTORS, ENGINEERS AND CONTRACTORS AN OPPORTUNITY TO CORRECT ERRORS AND MAKE CHANGES TO THE PLANS AND SPECIFICATION ON A SMALL SCALE, RATHER THAN BEING FACED WITH A LARGE CHANGE ORDER ON THE MAJOR CONTRACT. IN THE FISCAL YEAR 1995 PROGRAM, \$18 MILLION IS PROGRAMMED TO PROVIDE ALTERATIONS TO EXISTING QUARTERS FOR 112 UNITS AT MCLB, ALBANY, GA. 60 UNITS AT MCAS, CHERRY POINT, NC AND 260 CAPEHART UNITS AT MCB, CAMP LEJEUNE, NC.

UNFORTUNATELY, OUR FAMILY HOUSING CONSTRUCTION PROGRAM

CANNOT KEEP PACE WITH THE COST OF NEW CONSTRUCTION. OUR PROJECTED DEFICIT HAS REACHED 7,150 HOMES, WITH 95 PERCENT OF THIS TOTAL IN SOUTHERN CALIFORNIA. NEW CONSTRUCTION IS PROGRAMMED IN FISCAL YEAR 1995 FOR MCB, CAMP PENDLETON, CA, WHICH HAS OUR LARGEST FAMILY HOUSING DEFICIT. THERE WILL BE 124 UNITS FOR THE JUNIOR ENLISTED MARINE FAMILY AND 72 FOR THE SENIOR ENLISTED MARINE FAMILY, WITH A MIX OF THREE, FOUR AND FIVE BEDROOMS. DESIGN FUNDS PROGRAMMED IN FISCAL YEAR 1995 OF \$2 MILLION WILL ASSIST IN THE EXECUTION OF NEW CONSTRUCTION AND IMPROVEMENTS PROJECTS IN FISCAL YEARS 1996, 1997, AND 1998.

OUR FISCAL YEAR 1995 PROGRAM ALSO CONTAINS \$106.2 MILLION TO FUND DAY-TO-DAY OPERATIONS (E.G. MANAGEMENT, SERVICES, UTILITIES, AND MAINTENANCE). THIS FUNDING LEVEL ACCOMMODATES ONLY "MUST PAY" REQUIREMENTS (SUCH AS REPAIRS TO ROOFS AND CHANGE OF OCCUPANCY REPAIRS) THAT KEEP OUR INVENTORY IN A MANAGEABLE CONDITION.

IN OUR EFFORT TO KEEP PACE WITH THE GROWING HOUSING DEMAND AND DECLINING RESOURCES, WE HAVE FOCUSED OUR EFFORTS IN TWO OTHER AREAS. AS A TEMPORARY MEASURE, WE HAVE CONTINUED TO PROGRAM FOR THE DOMESTIC LEASING PROGRAM AT MCRD, SAN DIEGO, CA. WE EXPANDED THIS PROGRAM FROM 75 UNITS IN FISCAL YEAR 1993 TO 125 UNITS IN FISCAL YEARS 1994 AND 1995. WE EXPECT THIS PROGRAM TO GROW, BUT WE DO NOT EXPECT IT TO SOLVE OUR LONG TERM HOUSING SHORTAGE. THE HIGH COST AREA AND CRITICAL HOUSING SHORTAGE OUR

FAMILIES FACE IN CALIFORNIA MAKE IT AN ATTRACTIVE ALTERNATIVE. IN FISCAL YEAR 1993 WE STARTED OUR 20 YEAR 801 LEASE PROJECT FOR 600 UNITS AT MCAGCC, TWENTYNINE PALMS, CA. THE FISCAL YEAR 1995 BUDGET PROVIDES \$6.2 MILLION FOR THE FULL YEAR ANNUAL COSTS. THE 802 PROJECT (276 2-BEDROOM UNITS) AT MCAS, KANEHOE BAY, HI IS FULLY OCCUPIED AND IS CONSIDERED AN EXTREMELY SUCCESSFUL PROGRAM. THE MARINE CORPS AND THE CONGRESS HAVE LONG RECOGNIZED THE VITAL LINK BETWEEN HIGH QUALITY, SECURE FAMILY HOUSING AND YOUR CORPS READINESS. WE CONTINUE TO PLACE OUR HIGHEST PRIORITY ON MAINTAINING AND STRENGTHENING THAT LINK, AND OUR FISCAL YEAR 1995 FAMILY HOUSING PROGRAM REFLECTS THAT PHILOSOPHY.

MARINE CORPS RESERVE

MARINE CORPS RESERVE TRAINING CENTERS ARE LOCATED IN 192 SITES SPREAD THROUGHOUT THE UNITED STATES AND PUERTO RICO. THE MARINE CORPS OWNS THE FACILITIES AT 20 SITES; WE SHARE JOINT DESIGNATED SPACE (STAND ALONE RESERVE CENTER WITH A SISTER SERVICE AS HOST) AT 124 SITES; OCCUPY FACILITIES AS TENANTS ABOARD DOD INSTALLATIONS AT AN ADDITIONAL 41 SITES; AND HAVE COMMERCIAL LEASES FOR FACILITIES AT 7 OTHERS. THE MAJORITY OF OUR SITES ARE SHARED WITH EITHER RESERVE COMPONENTS OF THE NAVY, THE ARMY, THE NATIONAL GUARD, THE AIR GUARD; OR THEY ARE COLLOCATED WITH OTHER MARINE CORPS ACTIVITIES SUCH AS OUR FIRST RECRUITING DISTRICT HEADQUARTERS IN GARDEN CITY, NY. FIVE OF THE SHARED SITES ARE ON ACTIVE MARINE CORPS BASES AND THREE OTHERS ARE ON ACTIVE MARINE

CORPS AIR STATIONS. THE MARINE CORPS RESERVE EXCLUSIVE CONSTRUCTION PROGRAM PROVIDES FACILITIES AT SITES OWNED BY THE MARINE CORPS RESERVE OR ARE FOR MARINE CORPS RESERVE UNIQUE FACILITIES AT NON-OWNED SITES.

THE MARINE CORPS RESERVE HAS DEMONSTRATED ITS CAPABILITY TO AUGMENT AND REINFORCE OUR ACTIVE FORCES IN TIMES OF CRISIS, BUT THE INFRASTRUCTURE THAT SUPPORTS THIS CAPABILITY, LIKE EVERYONE ELSE'S, IS AGING. OUR RESERVE CONSTRUCTION BACKLOG CONTINUES TO INCREASE.

CHART 6 SHOWS THE FUNDING PROFILE FOR MARINE CORPS RESERVE EXCLUSIVE USE MILITARY CONSTRUCTION SINCE 1981. IN 1994, THE MARINE CORPS RESERVE RECEIVED \$11.2 MILLION

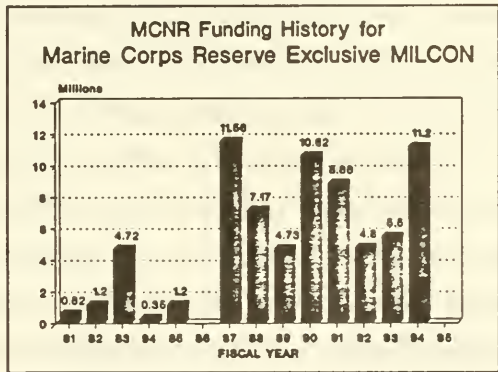


Chart 6

FOR IMPROVEMENTS IN OUR CENTERS AT NEW ORLEANS, LA, BALTIMORE, MD, WEST TRENTON, NJ, DAM NECK, VA, AND DETROIT, MI. IN 1995 OUR PROPOSED PROGRAM IS ONLY \$466 THOUSAND DOLLARS FOR PLANNING AND DESIGN. IN THE FACE OF CONTINUED FISCAL CONSTRAINTS, NO MAJOR MILITARY CONSTRUCTION DOLLARS WERE SUPPORTED IN THE FISCAL YEAR 1995 PROGRAM. HOWEVER, WE HAVE

REQUESTED REPROGRAMMING OF \$4.3 MILLION IN THE 1994 PROGRAM FOR A RESERVE CENTER AT LITTLE CREEK, VA.

BASE CLOSURE AND REALIGNMENT

THE 1993 DEFENSE BASE CLOSURE AND REALIGNMENT COMMISSION RECOMMENDED TO CONGRESS THAT THE MARINE CORPS CLOSE MCAS, EL TORO AND RELOCATE TENANT ACTIVITIES TO NAS MIRAMAR AND MCAS, CAMP PENDLETON -- FURTHER, THE COMMISSION RECOMMENDED THE 1991 CLOSURE OF MCAS, TUSTIN WITH THE TENANT UNITS BEING RELOCATED TO NAS, MIRAMAR MCAS, CAMP PENDLETON AND/OR NAS NORTH ISLAND VICE MCAGCC TWENTYNINE PALMS, CA. IN ADDITION, CLOSURES AND REALIGNMENTS OF INSTALLATIONS OF OTHER SERVICES RESULTED IN THE DIRECTED RELOCATION OF MARINE CORPS RESERVE UNITS AT EIGHT LOCATIONS.

THE MARINE CORPS FULLY SUPPORTS THE COMMISSION'S RECOMMENDATIONS. THOSE PERTAINING TO THE MARINE CORPS WERE BASED ON DETAILED ANALYSES BY THE SECRETARY OF THE NAVY'S JOINT MARINE CORPS AND NAVY BASE STRUCTURE EVALUATION COMMITTEE. THE ANALYSES CLEARLY LED TO THE RECOMMENDATIONS MADE AND I AM SURE WILL BE PROVEN THROUGH THE IMPLEMENTATION PROCESS.

THE PLANNING FOR ALL RELOCATIONS IS WELL UNDERWAY, WITH THE MARINE CORPS FIRMLY COMMITTED TO EXPEDITING THE MULTITUDE OF ACTIONS NECESSARY TO COMPLETE THESE MOVES. IN SPITE OF THE REDIRECTION OF THE MCAS, TUSTIN CLOSURE, WE DO NOT EXPECT MAJOR PROGRAM DELAYS IN CLOSING WITHIN THE MANDATED TIME PERIOD. EFFECTS ON CLOSURE TIMELINES AS A RESULT OF RECENT ACTIONS BY

CONGRESS DIRECTING RESOURCES AWAY FROM BRAC IN SUPPORT OF THE SOUTHERN CALIFORNIA EARTHQUAKE RECOVERY EFFORTS ARE STILL BEING EVALUATED.

WHILE THE INEVITABLE EMERGING DIFFICULTIES AND CONCERNS REMAIN TO BE ADDRESSED AS WE INITIATE THESE MOVES, THE PRIMARY CONSIDERATION FOR ADHERING TO ESTABLISHED TIME FRAMES WILL BE THE AVAILABILITY OF FUNDING TO MATCH OUR AGGRESSIVE RELOCATION SCHEDULES.

SUMMARY

MR. CHAIRMAN, IN SUMMARY, PERMIT ME TO EMPHASIZE OUR APPRECIATION FOR YOUR COMMITTEE'S CONTINUED SUPPORT. THE MILITARY CONSTRUCTION, FAMILY HOUSING, RESERVE CONSTRUCTION, AND BASE CLOSURE PROGRAMS FOR FISCAL YEAR 1995, REPRESENT THE MARINE CORPS ASSESSMENT OF REQUIREMENTS AND RELATIVE PRIORITIES NEEDED TO BEST CARRY OUT OUR RESPONSIBILITIES TO YOU AND TO OUR NATION. OUR PROGRAMS ARE CAREFULLY STRUCTURED TO TAKE ADVANTAGE OF EVERY EFFICIENCY AND ARE THE RESULT OF A REASONED AND THOROUGH DECISION PROCESS BASED ON OUR BEST JUDGEMENT AND OPERATIONAL EXPERIENCE. THIS REQUEST IS CONSIDERED TO BE THE ABSOLUTE MINIMUM REQUIRED FOR EFFICIENT MISSION ACCOMPLISHMENT AND PLACES THE HIGHEST PRIORITY ON THE READINESS OF OUR FORCES. WE BELIEVE OUR PROGRAM IS CONSISTENT WITH THE NATIONAL MILITARY STRATEGY, FISCAL REALITIES AND THE GUIDANCE OF THE CONGRESS. OUR FISCAL YEAR 1995 REQUEST WILL ALLOW US TO CONTINUE TO PROVIDE SOME MODERNIZED

FACILITIES INTENDED TO PROMOTE A HIGH LEVEL OF OPERATIONAL READINESS AND ENHANCE OUR WARFIGHTING CAPABILITY WHILE ATTRACTING QUALITY MARINES AND SAILORS. MR. CHAIRMAN, THIS CONCLUDES MY STATEMENT, I WILL BE PLEASED TO ANSWER ANY QUESTIONS YOU MAY HAVE ON OUR FISCAL YEAR 1995 BUDGET REQUEST.

STATEMENT OF REAR ADMIRAL JOHN T. NATTER

Mr. HEFNER. Admiral.

Admiral NATTER. Mr. Chairman, again, thank you very much. It is a pleasure to be with all of you today, as it was last year.

This year, the Naval Reserve is asking for a very, very reduced authorization appropriation: \$2.355 million. We have one project that is at Naval Air Station, New Orleans that is for aircraft Arming and Dearming ramp space on the taxiways. We consider to be an operational safety factor. The other money within the \$2.355 million is for planning and design, and also minor construction.

It is a pleasure to be here, and I look forward to answering your questions.

[Prepared statement of Rear Admiral John T. Natter follows:]

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APPROPRIATIONS COMMITTEE

STATEMENT OF
REAR ADMIRAL JOHN T. NATTER, U.S. NAVAL RESERVE
DEPUTY DIRECTOR
OF
NAVAL RESERVE
BEFORE THE
SUBCOMMITTEE ON
MILITARY CONSTRUCTION
OF THE
HOUSE APPROPRIATIONS COMMITTEE
03 MARCH 1994

NOT FOR PUBLICATION UNTIL
RELEASED BY THE HOUSE
APPROPRIATIONS COMMITTEE



Rear Admiral

John T. Natter, USNR

*Deputy Director of Naval Reserve
Washington, D.C.*

Rear Admiral Natter became Deputy Director of Naval Reserve in September, 1992.

Born in New York, August 14, 1939, Rear Admiral Natter was reared in Trussville, Alabama. He graduated from the U.S. Naval Academy and was commissioned an Ensign in 1962. Rear Admiral Natter received a law degree from Samford University in 1973 and has attended the Kennedy School of Government at Harvard, the Naval War College and the Armed Forces Staff College.

Rear Admiral Natter's Reserve assignments include Commander, Naval Reserve Readiness Command, Region TEN in New Orleans; Commander, Naval Inshore Undersea Warfare Group TWO; Inspector General, Naval Reserve Readiness Command, Region NINE; Commanding Officer, MIUW 1210; SACLANT Det. 109, and numerous Surface Reserve units.

During his career, Rear Admiral Natter has been awarded the Legion of Merit with a gold star; Navy Commendation Medal; Navy Achievement Medal; Combat Action Ribbon; Presidential Unit Citation; Meritorius Unit Commendation; Vietnam Campaign, Excellence in Competition (Gold), and various other unit and campaign medals.

Rear Admiral Natter is married to the former Nancy C. Sheetz of San Diego, California. They have three daughters: Marianne, Jacqueline, and Katherine.

Mister Chairman and members of the Committee. I am pleased to appear before you to present the Fiscal Year 1995 Military Construction, Naval Reserve (MCNR) Budget request.

As the Navy restructures to accommodate the "... From the Sea" littoral strategy and the Department of Defense bottom-up review, so too is the Naval Reserve Force evolving to enhance the Navy's capabilities as an integral member of the Total Force team. This means a Naval Reserve Force restructured to augment naval expeditionary forces shaped for joint operations forward from the sea and tailored for national needs.

As a result of this strategy, the Naval Reserve is being reoriented and equipped for crisis response. Additionally, Naval Reservists are being called on to make greater contributions to peacetime operations. This reorientation provides the Navy with more day-to-day support and offers a means of using the extraordinary depth of talent and professional skills of Naval Reservists to help active duty commands maintain mission readiness and levels of service in the face of severe budget constraints and adjustments necessitated by reduced requirements. Despite the inherent difficulties brought on by the uncertainties of change, the outlook for the Naval Reserve Force is excellent. As a component of the Total Force, the Naval Reserve will decline only slightly as a percentage of the Navy's total military manpower over the next few years.

Among the changes facing the Naval Reserve Force in 1995 and beyond is the restructuring of the Navy's excess infrastructure. As a result of the 1993 round of base closure and realignments, the Naval Reserve Force will close thirty-four reserve centers, three Readiness Commands, two Naval Air Stations/Facilities and three Naval Air Reserve facilities. Displaced Reserve Units are being consolidated at other Naval Reserve activities and in some cases at jointly shared locations with other active and reserve components. Mostly as a result of these closures and consolidations, the Naval Reserve's construction backlog will reduce from \$950 to \$570 million and the critical backlog of maintenance and repair from \$90 to \$79 million.

Our Fiscal Year 1995 Military Construction, Naval Reserve budget request of \$2.355 million reflects only our most urgent needs and is necessarily austere while the Navy and Navy Reserve continue to determine infrastructure requirements in terms of capacity and location. The single project in this budget for \$840 thousand supports a current mission requirement at the Naval Air Station, New Orleans, a key Navy Reserve operated air facility that is jointly used by four

reserve components and the Coast Guard. The balance of the budget request is for minor construction requirements and planning and design of future projects. We ask your support to approve this budget request.

As the future requirements of the Naval Reserve are paired with the reduced and realigned infrastructure over the next two years, we will have a more complete and accurate picture of our most important facility needs. We have not lost sight of the need for safe, attractive and operationally efficient facilities for our most important resource, our people.

I again thank this committee for its excellent support of our previous budget requests and ask for your approval of this budget submission.

This concludes my statement Mister Chairman. I will be happy to answer any questions and to provide additional information.

Mr. HEFNER. Well, thank you gentlemen.

I was looking at your credentials here and it is good to see you were born in New York but you moved to Trussville, Alabama. I don't know how you got to Alabama, but I am glad to have you. You gentlemen are from Texas and Oklahoma. It is good to have someone here that we don't have to have an interpreter for, that speaks the King's English as it should be. We are happy to have you today.

We are happy to have our members of our subcommittee and, in our view, this is the best subcommittee in the Congress, we work very closely together. Our main focus, since I have been Chairman, is we like to stress quality of life. And we sometimes get a little bit passionate about these budgets. We are really happy to have you here today.

BASE CLOSURE RESCISSIONS

Admiral Buffington, you indicate in your statement that the impact of recent rescissions of \$508 million in base closure funding has not been determined. This is somewhat contrary to the press reports that state the rescission will delay the closure of bases under BRAC 93.

As you well know, the committee provides a lump sum appropriations for base closure, thereby giving DOD great flexibility and latitude to determine how funds are allocated by service, by base, by function, and by project.

We understand that there are unobligated balances of previously appropriated base closure funds that can be reallocated among the services to avoid any delays in expedited schedules. Has the Navy requested the Office of the Secretary of Defense to consider a redistribution of the unobligated funds for base closure to minimize the impact on the Navy's plans?

Admiral BUFFINGTON. Yes, sir. We are going back, talking to them, trying to see where we might be—

Mr. HEFNER. You are going back or you are going to?

Admiral BUFFINGTON. We are in the process of doing that right now, yes, sir. We are going to try to first come up to see just where the hurt is going to be worse and then go back and see what we can get out of them.

Mr. HEFNER. If you could redistribute these unobligated funds in 1994, and then if it was followed by adequate funding in fiscal year 1995, would that keep the Navy on schedule?

Admiral BUFFINGTON. It would help. We are going to have to get a bit of additional funding in 1994 to get it back where it should be. I think we are going to have a little bit of delay here, but we are going to do our best to absolutely minimize it.

Mr. HEFNER. Is it true, the 1995 shortfall in fiscal year 1995, do you have a shortfall, and if so, how much?

Admiral BUFFINGTON. Well, sir, right now it is looking like it is going to be somewhere around an \$800 million shortfall, but I hope that is going to be rearranged and maybe we aren't going to have that much.

[Additional information at the request of the Navy follows:]

Subsequent to the hearing, the Navy made a technical correction to Admiral Buffington's response and eliminated any reference to an \$800 million shortfall in

the Fiscal Year 1995; noting that the Admiral had erroneously read that figure from his notes.

In making its technical correction, the Navy reported its portion of the Fiscal Year 1995 Base Closure III request, when combined with the effects of the Fiscal Year 1994 rescission, were not sufficient to maintain its aggressive budgeted closure schedule, and impacted their full implementation of the President's Five-Part closure program. The Navy also noted that additional funds in Fiscal Year 1995 would enable it to maintain a more aggressive closure schedule.

The Navy is, and will continue to, work diligently with all parties concerned to expedite BRAC III implementation while minimizing the impact of the closures and realignments on local communities.

Mr. HEFNER. How much would that slow, if it did?

Admiral BUFFINGTON. That could slow us down a year or two in some locations. I do believe that we will be able to work around it some way. We need to get that money because the real problem is, we haven't scheduled O&M funds for those places in the future. If we don't get them closed, not only are we going to lose money, but we won't have the money to support them in the future.

MANPOWER FOR MARINES

Mr. HEFNER. General Reinke, you indicate in your statement that the Marines cannot maintain military construction and family housing at an adequate level because of manpower and operations costs that are required to support an end strength of 174,000. How much of that shortfall is due to the Bottom-Up Review which increased the end strength from 159,000 to 174,000?

In other words, did the Marines get a "plus up" for manpower, but how does that affect you as far as your MILCON?

General REINKE. Sir, most of the "plus up" did go into our manpower account. A very, very small amount went into the O&M account which supports all of our other programs. We actually did not get much "plus up" at all in our areas.

Mr. HEFNER. I am just curious about this. You went from 159 to 174. That is what, 15,000? It might—

General REINKE. Yes, sir.

Mr. HEFNER. 15,000. That doesn't represent a problem for you, does it, as far as retention and recruiting?

General REINKE. No, sir, not right now it doesn't. The money we got to plus us up to handle that increased end strength, \$35 million of it went into our personnel accounts to pay for personnel related issues. We only got \$9 million that went into O&M accounts to support everything else in the Marine Corps.

As a result, the monies for housing maintenance, for MILCON and stuff, has to compete with the same small O&M base and MILCON and Family Housing base that we had before. As a result of that, we get more people authorized, but we don't get additional monies to support them in the area of quality of life.

Mr. HEFNER. So with the shortfall that you had—and we are behind with our family housing and what have you—that is not a lot of people, but it means you have to have gotten a substantial amount of money just to house them.

General REINKE. It is a challenge, yes, sir. We are doing the best we can within the scarce resources we have. We are doing our best to maintain the quarters that we have now.

We are trying to address in our request this year the deficits and those high-cost areas where we have our largest housing deficits.

We are trying to focus our resources on the most important issues which are readiness, quality of life, and then take care of those mandatory environmental issues that we have.

NAVY PROGRAM LEVEL

Mr. HEFNER. Admiral, I see where the Department of Defense has requested \$321 million in military construction funds for the Navy, which is \$224 million below last year's level. This represents a 41 percent reduction.

Yesterday, the Army testified that they fought hard to get only a 21 percent reduction. It appears that the Army fought a whole lot harder than the Navy. Do you wish to comment on that?

Admiral BUFFINGTON. I think the biggest thing is our uncertainty about the 1995 round of base closures. We want to be cautious that we don't spend money that might embarrass all of us later. And so we are going to take just essential projects this year until we get past the next round of base closures and find out what we are going to close and press on from there.

Mr. HEFNER. That brings me back to a problem we could have if you can't redistribute these funds and it will get delayed further. That, of course, may be doing some work in some areas and get some real criticism for spending a lot of money in bases that are going to be closed.

It puts you sort of in a catch-22 situation, doesn't it?

Admiral BUFFINGTON. It sure does. We did our best to try to work around that in this round that we just finished of base closure. We have got some criticism about some projects that have continued and some we didn't. We took a real hard look at those and decided if it is going to cost us more to close it down and clean it up, to go ahead and finish it. Sometimes it makes more sense to go ahead and finish it and pass it on to whoever is going to take the base over.

CONSTRUCTION ON BASES TO BE CLOSED

Mr. HEFNER. Do we have any construction projects going on in bases now that are going to be closed that has already been confirmed.

Admiral BUFFINGTON. Yes, sir. We got some, not too many, but we have some, in the situations where it was cheaper to go ahead and finish it than it was to stop. We don't have a lot of them, just a few.

Mr. HEFNER. To me, that would be practical when it is turned over to whatever entity it is turned over to, whether it be a local government or other government.

Admiral BUFFINGTON. Yes, sir, absolutely.

Mr. HEFNER. Something that had to be done.

Admiral BUFFINGTON. Something that had to be done. Passing the utility upgrades is one thing we are always doing. And all of these bases have got some utility upgrades, that is just stuff to be used in the future.

Mr. HEFNER. Mrs. Vucanovich.

TOP GUN MOVE TO NAS FALLON

Mrs. VUCANOVICH. Thank you, Mr. Chairman.

Admiral Buffington, as you know, Top Gun is—we are expecting it to move to Fallon, Nevada and the base closure portion of this budget submission provides money to carry out the transfer.

Can you tell me if the Top Gun move to Fallon is on schedule and does this budget keep it on schedule?

Admiral BUFFINGTON. Yes, ma'am, we are going to try to keep that on schedule as best we can. We will do our best.

Mrs. VUCANOVICH. Do you have any records of what that schedule might be or could you provide that.

Admiral BUFFINGTON. I could provide that for you, yes, ma'am. Sure can.

Mrs. VUCANOVICH. Thank you.

[The information follows:]

The relocation of Top Gun from NAS Miramar to NAS Fallon was scheduled to be completed by the end of FY 97 and this budget was originally developed to accommodate that schedule. However, the impact of the recent rescissions is not reflected in this budget. The effect of the rescission on closure and realignment schedules is currently under review.

Mrs. VUCANOVICH. I have been made aware with the arrival of Top Gun, CB battalion, and other units at Fallon that there will be a critical need for expanded family child care facilities as well as the base designing facilities.

Do you know if there are any plans to deal with these two issues?

Admiral BUFFINGTON. We are looking at those, yes, ma'am. We certainly want to take care of people in that regard.

Mrs. VUCANOVICH. It is important that—those are pretty critical to the people who will be serving there.

Those are the only two questions that I have of all of you. Thank you very much.

Mr. HEFNER. Mrs. Meek is going to yield her time to the gentleman from Washington.

Mr. DICKS. Just to go first.

Mr. HEFNER. You will be very brief.

FAMILY HOUSING AT BREMERTON AND BANGOR, WASHINGTON

Mr. DICKS. Could you tell what is the status of the construction of family housing in Bremerton and in Bangor?

Admiral BUFFINGTON. Yes, sir. That is going fine, but we are right on schedule with that.

Mr. DICKS. With regards to Whidbey Naval Air Station, I understand that there is 7 million in the BRAC 93 account for Whidbey Island to accommodate the realignment of P-3s. Could you provide for the record what these funds will provide?

Admiral BUFFINGTON. Actually, it is about \$15 million. Seven million provides construction for a Tactical Support Center, \$7.5 million for environmental studies and clean-up and about \$.8 million for some other miscellaneous stuff.

EVERETT, WASHINGTON

Mr. DICKS. I believe the construction efforts at Everett are doing well aren't they Admiral?

Admiral BUFFINGTON. We are going strong up there. Our 1992 funds for Everett are all 100 percent obligated, awarded, 1993 funds are 95 percent awarded, and the 1994 funds by the end of this year, will be 90 percent awarded.

ENVIRONMENTAL RESTORATION

Mr. DICKS. We are very pleased with your efforts and Everett looks like a great base. I want to raise one general policy question. Today there are companies that offer to help the Navy—in any of the facilities, to perform environmental, and conservation upgrades of the facility. The utilities companies provide assistance because it is energy saving.

I am told that the Navy has been very slow to pick up on this opportunity.

It seems to me that in a time when conservation is a very important issue in this administration, the Navy should increase their conservation efforts and allow the bases to take advantage of this, especially when there is favorable terms offered by the local utilities.

We have the Bonneville Power Administration in the Northwest. They will select individuals who come in and evaluate your entire facilities and can make recommendations as to how you can literally cut your energy bill in half. I believe the Navy should pursue such efforts.

Admiral BUFFINGTON. We have been working real hard to do that. We are doing pretty well on our—

Mr. DICKS. I can tell you two places where they are not doing so well.

Admiral BUFFINGTON. Yes, sir, we will work on it.

Mr. DICKS. Thank you, Mr. Chairman.

Mr. HEFNER. Thank you, Mr. Dicks.

The gentleman from Alabama.

Admiral BUFFINGTON. I might point out, Mr. Chairman, that all the money we got has floated down to that end of the table.

Mr. HEFNER. We haven't done this year's bill yet.

FUNDING FOR BASE CLOSURE VS. MILITARY CONSTRUCTION

Mr. CALLAHAN. Thank you, Mr. Chairman.

You know, Mr. Chairman, I kind of feel torn. On the one hand, we are supposed to be fiscally responsible, we want to cut down government spending. On the other hand, this committee is responsible to ensure that, for example, our military people have adequate living conditions and adequate facilities to operate out of and we are seeing a strange transition here.

I mean, here you are today telling us you want half of the money that you told us you wanted last January when you were here. Your projections then were about twice as much. Now you are coming back and telling us that your people don't need any more military construction, that the only thing you need is money for environmental concerns and for base closures.

And I just wonder if you are the ones that initiated this? Or did you submit a suggestion to some people higher than you and they tell you we don't care what you need, we don't care what you want for your people, this is what you are going to ask for?

I am afraid that is what we are getting, that is what we are receiving from every branch. Is this what you went and told your superiors that you wanted to come and ask for? Is this what you are requesting or is this what you have been told to request?

Admiral BUFFINGTON. Well, there might be a little bit of truth in what you say but, nevertheless, we have taken a real good look because of this Base Closure 95, and we are not sure where we are going. We didn't want to go spend a bunch of money on something we might have to close. That is the main reason we are kind of pulling back our horns this year.

Mr. CALLAHAN. There comes a time, though, when you have to stand up for your men. If they told you that they want to cut your supply of rifles in half, General, would you send your men into battle with around half the amount of rifles just because somebody higher said that that is what they wanted you to do?

General REINKE. I truly would not, sir. I think we all would tell you that if we had much more money, we would certainly spend it and put it to good use.

Mr. CALLAHAN. We are the ones who decide how much money you get.

General REINKE. Yes, sir. We developed our budgets—as I am sure you know—within controls that are given to us by OSD, by NAVCOMPT, and within those controls, we compete all our programs through the Marine Conference of which MILCON Family Housing and BRAC issues are a part, along with readiness, equipment, purchases and manpower.

Mr. CALLAHAN. So you went to your superiors and said, look, we need this for our people and they told you, no, you don't, you are going to go there and ask the Military Construction Committee for half of what you were asking for this time last year.

Is that what happened, essentially?

General REINKE. I can't speak for Admiral Buffington. I do know that we have all worked very, very hard to make our requirements known within our system, that we work and we fight very hard and very fervently for our Marines and Sailors. We do the best we can, yes, sir.

Mr. CALLAHAN. We want you to, but I feel like we are losing all of these battles all of a sudden in board rooms or somewhere. We are not losing them here in the committee. We have been generous to you. We have been supportive of you. We have been to your military people and told them we want them to have the best of everything. And now all of a sudden, you their representatives—are coming to us saying, we don't need any more. We are going to put all of our emphasis on environmental clean-ups and base closures, and nothing really for any type of improvement to the facilities.

Admiral BUFFINGTON. I think the big thing is, the Priority Investment Program. We really want to see where we are going after Base Closure 95, before we invest a lot of money, because we certainly need the money, as you well know, and as you well stated.

Admiral NATTER. That is the same for the Naval Reserve.

Mr. HEFNER. Would the gentleman yield?

Mr. CALLAHAN. Yes, sir.

Mr. HEFNER. You know this is not a new phenomenon. This is not something that just happened this year. Ever since I have been on this committee and been Chairman, we have always felt like that there was not a high enough priority in this sector. So this is not something that just happened this year. I can recall, the year before last, we had the pause and the years past, we have always felt like in this area, it had not enjoyed the high priority that we felt like it should. I can understand the gentleman's own feelings.

Mr. CALLAHAN. My concern, though, Mr. Chairman, is how many times have you seen all branches of the military come before you as Chairman of this committee and request these Draconian cuts that they are requesting this year? Normally, they come to us very proud and say we are only going to ask for a 6 percent increase. But now they are coming and asking for a 50 percent decrease.

Mr. HEFNER. I am not being argumentative, I am just telling you that this is not a new phenomenon for this committee. We have always had to fight to get them to make the case across the river for more money. Yesterday we had let a reporter come in and cover this, and you never know how you are going to get reported. When he talked to me outside the door he said, it is good to see that you guys are beating up on the services wanting more money. So, you know, it is a catch-22 situation. I didn't mean to interrupt you.

Mr. CALLAHAN. I preceded my remarks by my want to be fiscally responsible but at the same time, there is just something strange going on here when the Navy comes to us 12 months ago and they asked for about \$6 billion and now they come back and they are going to cut that down to \$2 billion. There is something strange going on here.

And it is just, I suppose, different, but I wanted to make that point, Mr. Chairman. I thank you for your time.

Mr. HEFNER. It is well received. We are out of the same hymn book on that. Mr. Meek.

NAVY STRATEGIC PLAN

Mrs. MEEK. With all due respect, Mr. Chairman, I have some of the same sensitivities that my colleague, Mr. Callahan has. This is my first year sitting on this committee and I am beginning to feel that there is sort of a disenchantment with what these prices are all about.

I think that if there is any one committee that should be in an advocacy role, it is this committee. I think that we can advocate for you better than you can for yourselves. And certainly I feel that we should take a strong advocacy role in finding out from you early on what are the real, bottom line priorities that you really, really need, and that we should fight for that. And I think if we take that position, we will be in much better shape than we are at this point.

Admiral Natter, I listened to each of you talk, but I was very concerned about the quick restructuring that you are having to do. I am wondering just what kind of strategic plan you have developed to do that, or is all this dumped on the Navy at the last minute?

I think you seem a little resigned as far as I am concerned. And I don't want you to be resigned. You have been fighting for us all these years.

So I think that you should keep that perspective when you come before us. Don't come in a cowed kind of role because we should be fighting for you. I think that that is what I see when I read the reports. I feel that there is some condescension here, because when all the rescissions are made, you are the first ones to be rescinded. You should tell us now, because no one can fire you, at least I hope not.

Just give it to us, you know, as you see it should be done. I feel very strongly about what my colleague, Mr. Callahan, said and I am concerned about the enlisted men and women who serve under you.

Admiral NATTER. May I respond?

Mrs. MEEK. Yes, you can respond after I finish. But I am very concerned about them.

Mr. HOYER. They may not fire you, but they can keep you quiet.

Mrs. MEEK. I am concerned about the quality of their lives, how much all of this is affecting them.

Yes, sir.

Admiral NATTER. May I respond to this, ma'am?

Mrs. MEEK. Yes.

Admiral NATTER. I share your same concerns and, as the Chairman said, we certainly are singing from the same sheet of music. From the Navy reserve standpoint, we are also waiting until BRAC 95 and the reason for that is, BRAC 93, we had over a billion dollars in backlog for construction, but with the closing of Glenview, that took it down to about 570 million, so there is a lot of backlog there that was done away with just by closure of one of the big bases, one of our naval air stations, and we certainly don't want to put money into a station or a base and then have it close on us in 1995 and get into a catch-22 as Mr. Chairman mentioned.

We do have some reprogramming that we have asked to have Command approve and send up to the committee from 1994. It was 1992 reprogramming money. Hopefully, when it gets to you, you will approve it and that is about \$29 million for the Naval Reserve. We certainly aren't forgetting about the Sailors. They are first in our mind and we certainly look out for them today and tomorrow and as long as I am here.

Admiral BUFFINGTON. And the downsizing of about 200,000 Sailors, too, has played a very large role in this. We definitely want to take better care of them than we have in the past. We have gone for many years, where if it didn't float, it didn't fly, we didn't need it. We are trying to get past that and take better care of our people, and it if weren't for you all, we wouldn't be able to do that.

General REINKE. We are trying very hard to focus on all of the others, the enlisted Marines. The only new construction we have are 196 units. It is all enlisted housing in Camp Pendleton, which has the highest cost of living area and the highest number of deficits. So, we are trying to focus our efforts on them.

Also, our major emphasis on our M2R2 funds which are for our Marines concentrated on the barracks areas. We are doing the best we can to focus our attention in that area.

Mrs. MEEK. Thank you.
Mr. HEFNER. Mr. Foglietta.

ENVIRONMENTAL RESTORATION

Mr. FOGLIETTA. Thank you, Mr. Chairman. I apologize for being late. I hope I am not going to be redundant in the questions I may be asking.

I have been deeply involved in the economic conversion efforts for bases that are going to close under the BRAC. Specifically, where we can take facilities which are available to be used by government or civilian enterprises so that two things will happen. One, so the facilities themselves won't be wasted and, number two, so we may have the opportunity to rehire some of the people who have lost their jobs because of the base closings.

A couple of questions on that. Number one is the environmental problems that we have at these bases. You talked about the rescissions and the potential effects yet you are still required to clean up the environmental and toxic waste and so forth that are on these bases.

What progress can you make in light of the rescissions? And, are you being hampered in doing that or is there a possibility that this work can be accomplished with these limited sources?

Admiral BUFFINGTON. No, sir, we will keep moving hard in the environmental area. We are really concentrating on that as best we can. Where it is going to take a long time to clean up, we will fence off that portion so we can go ahead and get the rest of the base under way and get it turned over to the local community and development groups.

PHILADELPHIA NAVAL SHIPYARD

Mr. FOGLIETTA. Secondly, as far as the Philadelphia Naval Shipyard is concerned, which is in the process of closing down because of the BRAC, there are certain facilities such as the dry-docks and the propeller shops, which are going to be retained by the Navy. As for the rest, we are working to convert these assets to other productive commercial uses. As part of the effort, we are working to get a long-term lease so that the City of Philadelphia can secure commercial tenants and move forward with our economic conversion plans.

However, the Navy plans to cut off the utilities at the boundary between the two tracts, all water, electricity, et cetera, et cetera, and leave this piece that they are not going to use completely without utility service.

Is that a common practice?

Admiral BUFFINGTON. I didn't believe we were doing it quite that sharply there. I would have to check on that for you, sir. But I wasn't under the impression that we were cutting off utilities. Quite to the contrary, we have got a big project in this year to upgrade the utilities on the base. We are continuing on to do it even though we are leaving a portion of the base.

Mr. FOGLIETTA. What project is that?

Admiral BUFFINGTON. That is the \$11.5 million upgrade in the utilities plan, sir.

Mr. FOGLIETTA. That is carried over from last year, right?

Admiral BUFFINGTON. Yes, sir. We are going to continue on it, yes, sir.

OVERSEAS BASES

Mr. FOGLIETTA. Mr. Chairman, as we have been listening to the testimony, we find a general attitude that is being conveyed to the committee that we should not be concerned in the future with overseas bases. In fact, line items were taken out and put in a so-called slush fund to be used for that purpose.

I think we are making a terrible mistake by throwing all of these overseas bases into one category. Certainly with the end of the Cold War, the bases in Western or Eastern Germany aren't as important to us as they once were.

However, I think there are other parts of the world where our American military presence is extremely important to the defense of our Nation to the security of the world. South Korea, for instance. South Korea is an important American ally and we maintain a considerable military force on the peninsula. The Korean peninsula is an area that certainly needs to be attended to due to its important strategic location and the enduring friendship between our two peoples.

So I really would like to see American attitudes start to change on this subject. Just because a base is overseas, we cannot simply let it wither on the line. I would rather we concentrate our limited resources on those we really need. Sigonella, for example, which is extremely important to our operations in southern NATO. This is a base we should keep.

I would like to say for the record that, in the future, we should be very selective in allocating resources, using our overall security and defense interests as our criteria rather than just where a base is located.

Admiral BUFFINGTON. Absolutely. We appreciate you saying that. Speaking for the Navy, you are singing our song, sir.

Mr. FOGLIETTA. Thank you, Mr. Chairman.

Mr. HEFNER. Mrs. Bentley.

FAMILY HOUSING

Mrs. BENTLEY. Thank you, Mr. Chairman. I have a couple of questions to follow Mr. Callahan, Mrs. Meek's, and also Mr. Foglietta's.

How many Marines today are living in inadequate, open-bay barracks.

General REINKE. I believe we have 3,200 in Camp Pendleton which is one of our largest bases, and we have scattered throughout the rest of our bases in the Marine Corps approximately 2,000. That is kind of a combination between trainees and people that are in temporary locations, perhaps, while training.

Mrs. BENTLEY. So you are talking about over 5,000—

General REINKE. Yes, ma'am.

Mrs. BENTLEY [continuing]. Of our young people who are housed, living, in facilities that are worse than what our prisoners live in?

General REINKE. Well, I hope not that bad, no.

Mrs. BENTLEY. Did the Marine Corps request other barracks projects as part of its program budget directive process?

General REINKE. The barracks that we requested are in the program this year. We have additional barracks in the 1996 and 1997 program.

Mrs. BENTLEY. What is the average age of the Navy's physical plant?

Admiral BUFFINGTON. Fifty-two years, as far as the physical plant goes. Housing, a little less than that, about 34 years.

Mrs. BENTLEY. Thirty-four?

Admiral BUFFINGTON. Yes, ma'am.

Admiral NATTER. Forty-two years for the Naval Reserve structures.

Mr. CALLAHAN. That is because they closed down all the new ones.

General REINKE. Thirty-two and a half years for the Marine Corps. This is primarily brought down because we have a lot of new construction at Camp Pendleton.

Mrs. BENTLEY. Thirty-two and a half in the Marine Corps?

General REINKE. Yes, ma'am.

CLOSING OF NAVAL SHIPYARDS

Mrs. BENTLEY. You may not know the answer to this, but I will ask you. Following on Mr. Foglietta's comments, how many of the existing shipyards are going to be dismantled totally, with everything removed?

Admiral BUFFINGTON. I can't give you an answer on that right now. We are in the process of closing three shipyards right now.

Mrs. BENTLEY. Which three?

Admiral BUFFINGTON. Right now, we are closing Philadelphia, Charleston, and then you have Mare Island.

Mrs. BENTLEY. I think what Mr. Foglietta was saying is the answer was that the facility will remain there.

Admiral BUFFINGTON. Yes, ma'am.

Mrs. BENTLEY. Is that the same with Charleston?

Admiral BUFFINGTON. We would like to turn over what we can to local communities. Shipyards are a hard case because American shipping has really gone down and the amount of work done in shipyards is pretty limited right now.

Mrs. BENTLEY. I am very well aware of that. But the other part of it is if the U.S. faced a foreign threat, we need those shipyards to meet that threat and to turn to. Americans accomplished great deeds in World War II—and I know everybody says it is never going to happen again, but I am not a believer. I think we always need to be prepared so we can match the efforts of WW II.

I know some Navy elements currently stationed in Crystal City are moving into Maryland, which we are very happy about. I know that my dear colleague, Mr. Hoyer—

Mr. HOYER. That is my name.

Mrs. BENTLEY. Is that your name?—who has Patuxent Naval Base in his district—

Mr. FOGLIETTA. Would the gentlelady yield?

Mrs. BENTLEY. Sure.

DRY DOCKS ON EAST COAST

Mr. FOGLIETTA. How many and of what quality are the existing dry-docks on the East Coast of the United States at present?

Admiral BUFFINGTON. I can get you that information sir.

Mr. FOGLIETTA. Specifically, I would like to know the one's which can accommodate aircraft carriers and other large vessels.

Admiral BUFFINGTON. Yes, sir.

[The information follows:]

GRAVING DRYDOCKS

U.S. NAVY

<u>Location</u>	<u>DD#</u>	<u>Condition</u> ¹	<u>Capacity</u> ²
Charleston, SC	1	AC	DD, CG, SSN
Charleston, SC	2	AC	DD, CG, SSN
Charleston, SC	5	AC	DD, CG, SSN
Norfolk, VA	2	AC	SSN
Norfolk, VA	3	AC	DD, CG, SSN
Norfolk, VA	4	AC	DD, CG, SSN
Norfolk, VA	8	AC	CV
Philadelphia, PA	2	AC	DD, CG
Philadelphia, PA	3	AC	DD, CG
Philadelphia, PA	4	AC	CV
Philadelphia, PA	5	AC	CV
Kings Bay, GA	1	AC	TRIDENT
Kittery, ME (Portsmouth, NH)	1	AC	SSN
Kittery, ME (Portsmouth, NH)	2	AC	SSN
Kittery, ME (Portsmouth, NH)	3	AC	SSN

COMMERCIAL

<u>Location</u>	<u>DD#</u>	<u>Condition</u>	<u>Capacity</u> ³
Bethlehem Steel Sparrows Point, MD	1	AC	CV
G. Marine Diesel Brooklyn, NY	5	AC	CV
G. Marine Diesel Brooklyn, NY	6	AC	CV

¹ AC indicates Active Certified by the Naval Sea Systems Command Drydock Certification Office.

² Ship type normally accommodated: CV is aircraft carrier (1,092' Length, 134' Beam, 37' Draft); DD is destroyer (563' Length, 55' Beam, 29' Draft); CG is guided missile cruiser (567' Length, 55' Beam, 31' Draft); and SSN is attack submarine (360' Length, 33' Beam, 32' Draft).

³ Ship type that may be accommodated based on length, width and depth of drydock and long ton capacity.

COMMERCIAL (cont'd.)

<u>Location</u>	<u>DD#</u>	<u>Condition</u>	<u>Capacity</u>
General Dynamics Groton, CT	1	AC	SSN
General Dynamics Groton, CT	2	AC	DD, CG, SSN
General Dynamics Groton, CT	3	AC	DD, CG, SSN
General Ships Corporation Boston, MA	4	AC	DD, CG, SSN
Intermarine USA Savannah, GA	1	AC	Small craft only.
New York Shipyard Brooklyn, NY	1	AC	Small craft only.
Newport News Shipbuilding & DD 1 Newport News, VA		AC	DD, CG, SSN
Newport News Shipbuilding & DD 2 Newport News, VA		AC	DD, CG, SSN
Newport News Shipbuilding & DD 3 Newport News, VA		AC	Small craft only.
Newport News Shipbuilding & DD 4 Newport News, VA		AC	SSN
Newport News Shipbuilding & DD 10 Newport News, VA		AC	DD, CG, SSN
Newport News Shipbuilding & DD 11 Newport News, VA		AC	CV
Newport News Shipbuilding & DD 12 Newport News, VA		AC	CV
Tampa Shipyards Tampa, FL	2	AC	DD, CG, SSN
Tampa Shipyards Tampa, FL	3	AC	DD, CG, SSN
Tampa Shipyards Tampa, FL	4	AC	DD, CG, SSN

Mr. FOGLIETTA. Thank you. Yield back to the gentlelady the balance of her time graciously.

Mr. HEFNER. Do you have more questions?

Mrs. BENTLEY. No.

Mr. HEFNER. Mr. Hoyer.

Mr. HOYER. My understanding, Mrs. Bentley yields to me the balance of her 15 minutes?

Mrs. BENTLEY. That is right. Anytime.

Mr. HEFNER. That is right. Lock up when you leave.

Mr. HOYER. That is assuming there is anything left to lock up to protect, right?

I don't know what, Admiral, you meant about this end of the table, but Mr. Dicks and Mr. Foglietta and I are glad to see you.

As you know, I have the great honor to represent an area now that incorporates three of the Navy's premier facilities. One of those was suggested for base closure as you know. Just, technically, it was closed, but we are very pleased that the naval electronic systems engineering activity will now be a part of NAVAIR as you know.

I want to express, once again, the pleasure I had in dealing with the Navy on this issue. We didn't always agree, but we did so, I think, in a very positive fashion. I think we got a positive result for the Navy and for the country, more importantly, and we are very pleased.

I would like to discuss some specific items with you that won't come as a surprise, I know. I want to share Mr. Callahan's view and Mrs. Meek's view and I know our Chairman's view. The President said in his State of the Union address that we needed not to cut, not to cut Defense any more.

This is a dangerous world in which we live. You don't have to look any further than the morning news to know that. We have got to maintain a very strong Navy and, in my opinion, the Navy's role is enhanced. As a matter of fact, the importance of having capability of projected power through our naval forces and our naval air capability and our Marine Corps is absolutely essential in this new world in which we find ourselves.

Therefore, when I advocate for those facilities that I happen to have the privilege of representing, I do so, obviously, for my district. But, in my opinion, I am convicted of the fact that I do it in the best interests of not only the United States and our people in this country but also, very frankly, for every citizen of this globe that counts on the United States to maintain a level of international stability consistent with their ability to pursue happiness. So frankly I have been working for this—and there are some folks who perceived otherwise—since I got to this Congress since 1981, which I am going to continue.

ANECHOIC CHAMBER

Admiral, I would like to talk about the anechoic chamber. I think this needs to be a high priority item for the Navy. We went through some disagreements on that but, ultimately, the Inspector General of the Department of Defense said correctly, in my opinion, that building an enlarged anechoic chamber which we are going to need for testing makes good sense. We are going to need to save

money through testing and we need to put that facility at the premier air test facility, in my opinion, in the world and that is the Pax River.

The Navy made some determinations, Base Closure made some determinations. We have the synergy now, the naval air command and our test and evaluation capability now at PAC.

We have, as you know, appropriated over the years \$20 million of the \$60 million necessary. The Navy hasn't spent any of that money yet. We have 30 percent design of the chamber done. We are ready to go to 100 percent of design. My understanding is that, obviously, you have this Technical Evaluation Committee reviewing this.

Let me ask you some specific questions. When will the Navy proceed to 100 percent design on the chamber?

Admiral BUFFINGTON. Just as soon as we can get a final resolution from DOD. You know the Navy certainly supports your efforts.

Mr. HOYER. I am glad to hear that. A final determination from the Technical Evaluation Committee recommendation, will that be the key?

Admiral BUFFINGTON. I think it will go a long ways. As you pointed out there, we are already at the 35 percent stage.

Mr. HOYER. Is it 35?

Admiral BUFFINGTON. Yes, sir. We are basically completing the engineering side, and we are sending it on up for the final resolution, which makes a lot of sense.

Mr. HOYER. Admiral, as you know, I pledged to former Secretary of the Navy under the Bush administration Sean O'Keefe that. I want to thank the Chairman and I want to thank the Ranking Member of this committee for supporting Mrs. Bentley and I who have been fighting to make sure that we have sufficient funds, not taken out of the Navy capital priorities, but from monies that the Chairman and the Ranking Member have made available to Mrs. Bentley and I for this project, and we continue to be focused on this.

We think it is critical not just for Maryland, which obviously it is, but for the country. You can do it cheaper at Patuxent and better testing in these anechoic chambers and that is the way we are going to have to do this, as you know. We look forward to working with you.

How long will it take to complete 100 percent design if we get going?

Admiral BUFFINGTON. I can't give you an exact figure on that, but approximately 10 months or so would be my guess to complete the design. That is just a rough approximate.

NAVAL AIR SYSTEMS COMMAND CONSOLIDATION-PATUXENT RIVER

Mr. HOYER. I am pleased to hear the Navy support this, the NAVAIR consolidation. I will go over that quickly. Project 251T is for 70 million for the NAVAIR building, as you know. Admiral Bowes is very interested in moving ahead as quickly as possible and will move people as quickly as we have facilities available to them. While this is a short-term expenditure, it is long-term saving, a base closure concluded.

What is the status of design of this project, Admiral?

Admiral BUFFINGTON. We are pressing right on with that.

Mr. HOYER. Can I put a date on "pressing right on?"

Admiral BUFFINGTON. Well, let's see here.

Mr. HOYER. You don't have to be specific but press right on it.

Mr. HEFNER. How about as soon as possible?

Admiral BUFFINGTON. We are shooting for consolidation down there by 1997.

Mr. HOYER. Well, now that I have pinned you down on it, Admiral, it shows what a tough questioner I am, maybe we can follow up on that and try to sort of focus on that a little more. Thank you.

Admiral BUFFINGTON. Yes, sir.

Mr. HOYER. My next question is when it was going to be advertised, awarded, and completed. I presume you don't have those answers but perhaps you can pull all that together and provide that.

Thank you.

Admiral BUFFINGTON. Yes, sir.

Mr. HOYER. Also add when you expect construction to begin on that.

[The information follows:]

P-951T—To provide administrative facilities at the Naval Air Warfare Center, Patuxent River, MD to support the Naval Air Systems Command relocation will be accomplished as a design/build contract. The request for proposal will be completed in August 1994. The construction contract will be awarded in January 1995. The request for proposal will have sufficient detailed design for the site improvements and utilities such that the contractor can begin construction immediately. Subsequent construction of the Naval Air Systems Command facilities will begin upon our receipt and acceptance of the contractor's design. Construction should be complete in July 1997.

Mr. HOYER. Admiral, how much has been earmarked in the base closure account for that consolidation?

Admiral BUFFINGTON. Right now, \$71 million so far has been earmarked for that, \$70 million for construction down there alone.

Mr. HOYER. Are these sufficient to accomplish the objective down there? They are?

Admiral BUFFINGTON. Yes.

Mr. HOYER. Are there any funds required for this project from fiscal year 1994 and, if so, are there any problems created by the rescission taken in the earthquake supplemental? I asked that question at the time of the supplemental. Mrs. Bentley and I were both concerned.

Does this affect the project?

Admiral BUFFINGTON. It did not affect the project at all, sir.

Mr. HOYER. All of us, of course, are concerned about the family housing. The budget provides \$863,000—I am very proud to see that—for quality of life of our personnel.

Let me ask you about the anti-submarine center. As you know, it is an 8.2 million project. As you also know, anti-submarine warfare is perceived to be less of a priority item than it once was. However, I think we should have a concern, particularly now, not so much with deep water, but shallow water detection and protection.

How does NAVAIR propose to meet the threat of the shallow water submarines for the next 10 years?

Admiral BUFFINGTON. Well, I couldn't speak for the whole program, but I can say on that particular project down there, that we

haven't begun design yet, although we certainly plan on having the project for 1997.

Mr. HOYER. Is that still in, because we heard that that might slip to 1997.

Admiral BUFFINGTON. It slipped to 1997.

Mr. HOYER. And that is when you had to include the resources to accomplish that.

Admiral BUFFINGTON. Yes, sir, absolutely.

INDIAN HEAD, MARYLAND

Mr. HOYER. Mr. Chairman, I appreciate the time. I have got just a couple more issues. I will try to cover them quickly. Denitration mix facility, P-121 at Indian Head. Without going into a lot of background, can you tell me where we are on that?

Admiral BUFFINGTON. Yes, sir. We are going to have to try to go to work on that. Let me see the actual date on that. We would be starting design on it before fairly long here with the project being in 1997.

Mr. HOYER. That continues to be one of our priorities.

Admiral BUFFINGTON. Yes, sir.

Mr. HOYER. What options will the Navy have if Radford AAP was forced to close due to environmental problems or if they were unable to meet Indian Head's demand for treatment?

Admiral BUFFINGTON. I couldn't answer. We obviously would need that project pretty fast.

Mr. HOYER. Mr. Chairman, I see your gavel up. I am sensitive to your time here. You have been good to me.

Mr. HEFNER. That is okay.

Mr. HOYER. Let me go to the upgraded power plant down there in Indian Head.

Admiral BUFFINGTON. We are looking to get that done in 1996. I am going to press hard on that. As you well know, we need that down there.

Mr. HOYER. Will the afterburner plant for the power plant bring it into compliance?

Admiral BUFFINGTON. Yes, sir.

Mr. HOYER. That is part of our environmental thrust. Obviously, we are concerned with Indian Head. We have got a good relationship with the State.

How much would that adjustment cost if you put the afterburner in?

Admiral BUFFINGTON. About \$5 million.

ST. INIGOES (NESEA)

Mr. HOYER. An additional \$5 million.

Last question, dealing with NESEA. I have spent a couple of minutes working on NESEA over the last three years, about half of my life, I think. Two projects we have been talking about there since 1991, 1992. Electronic systems integrated lab, \$5.8 million; ACLS, the Air Traffic Control Landing Systems test facilities \$1.75 million. As you know, those were 1991-1992 dollars, they have been held up. I am always told they are held up because of base closures. This matter ought to be resolved.

Admiral BUFFINGTON. We have already awarded both projects. We are getting ready to award the third project in March here. The Electronics System Integration System One.

Mr. HOYER. When you say both projects.

Admiral BUFFINGTON. Well——

Mr. HOYER. But the ACLS——

Admiral BUFFINGTON. The Electronic System was awarded. The ACLS system has been awarded also.

Mr. HOYER. When do we expect completion on those two? Do you have that?

Admiral BUFFINGTON. I can't give you that date, but I can get it for you.

[The information follows:]

NAVAL ELECTRONICS SYSTEMS ENGINEERING ACTIVITY, ST. INIGOES

Of the two projects in question, one has been awarded and the second is due to be awarded in the near future:

P-712—Air Traffic Control/Aircraft Carrier Landing System (ATC/ACLS) was authorized and appropriated in fiscal year 92 at \$1,750,000. The project was awarded in September 1993. We expect completion in September 1994.

P-720—Electronics System Integration Laboratory was authorized and appropriated in fiscal year 92 at \$5,800,000. We are currently awaiting apportionment from OSD. We will award upon receipt of funds.

There is a third project at St. Inigoes with a similar title which has already been awarded:

P-723—Fleet Area Control and Surveillance Facility (FACSFAC) Electronics Systems Integration was authorized and appropriated in fiscal year 91 at \$4,020,000. The project was awarded in September 1993. We expect completion in December 1994.

Mr. HOYER. Again, I want to thank the Navy and the personnel—both uniform and the civilian leadership—of the Navy. You are a pleasure to work with. We don't always agree with you. We have done it in a very positive way. I think we are getting a positive result. I look forward to working with you in the future.

Admiral BUFFINGTON. Thank you, sir.

Mr. HOYER. Mr. Chairman, I appreciate the time.

Mr. HEFNER. I thank the gentleman from Maryland. We are just thankful that we don't have a couple of members from Northern Virginia on this committee, even though they are very capable people.

Mr. HOYER. They are excellent Members and I share your thankfulness.

Mr. HEFNER. Mrs. Bentley has a follow-up question.

Mrs. BENTLEY. I appreciate that Mr. Hoyer has taken very good care of Southern Maryland.

BAINBRIDGE

I do want to ask you one question about the status of Bainbridge and the removal of the asbestos up there.

Admiral BUFFINGTON. I believe, by later this fall we are supposed to have everything pretty well worked out there, so we would be able to get it taken care of.

Mrs. BENTLEY. At that time, will Bainbridge be available to be transferred to GS after possible purchase by the local community.

Admiral BUFFINGTON. Yes, ma'am. We are pushing real hard to get that thing done.

Mrs. BENTLEY. Then the end of this year is definitely targeted?

Admiral BUFFINGTON. Yes, ma'am.

Mrs. BENTLEY. Very good. Thank you. That is it, Mr. Chairman. Thank you. I am very short.

Mr. HEFNER. Are there other Members that have questions? I have questions that I will submit for the record as all other Members may have questions and submit them for the record.

And gentlemen, it has been a pleasure having you with us today and I hope that you have a nice day and hope that everything is going to work out and we are going to find all the money that we need. Optimistic. There is no other way to go.

The committee stands adjourned.

Admiral BUFFINGTON. We sure appreciate all y'all's support. Thank you very much.

Mr. HEFNER. I like the way you say y'all, too.

[CLERK'S NOTE.—Questions for the record submitted by Chairman Hefner.]

MARINES—PROGRAM LEVEL

Question. General Reinke, military construction funding for the Marines has gone from \$242 million in 1989 to \$50 million in 1995. About one half of the 1995 request is for environmental compliance. So there is not much left for quality of life or readiness. Are you bothered by this level of funding?

Answer. Yes. However, the entire Department of Defense is operating in a constrained fiscal environment. The level of funding for Military Construction is an unfortunate reality. Our program provides the basic resources to meet our most immediate needs to comply with environmental laws and provide some quality of life and improved operations and training capabilities.

Question. General Reinke, your family housing budget seems to be consistent with prior years. Do you consider the housing request adequate?

Answer. No. However, based on current budget constraints, it reflects reality. The Marine Corps spends approximately \$4,000 per hour per year, while the DoD average is \$6,300. This reduced funding continues to increase our maintenance backlog and reduces services to the military families.

REDUCING THE BACKLOG OF NAVAL RESERVE MILITARY CONSTRUCTION

Question. Admiral Natter, in your statement you indicate that the backlog of construction has been reduced from \$950 million to \$570 million because of base closures and that the critical backlog of maintenance and repair reduced from \$90 to \$79 million. When you look at what the Naval Reserve is requesting in fiscal year 1995, I see no opportunities in reducing the backlog outside of more base closures. Is that a fair statement?

Answer. Based on the FY 1995 Presidential budget request, that is a fair statement. The FY 1995 Military Construction Naval Reserve budget request does not further reduce our backlog of construction to any significant extent. However, once the long term Naval Reserve facilities inventory is more certain following the 1995 Base Closure review, we plan to increase the Military Con-

struction Naval Reserve and Operations and Maintenance Naval Reserve budget requests to once again begin more significantly reducing the backlog of construction and maintenance/repair.

CRYSTAL CITY

Question. At the direction of the Base Closure Commission and the Armed Services Committee, the Navy in coordination with GSA is currently evaluating unsolicited proposals for the purchase of facilities at Crystal City, Virginia. The Navy is required to report its findings by May 1, 1994. Is the Navy expected to meet its reporting deadline? Do you foresee the Navy's evaluation of the proposals impacting the base closure and realignment of 1993?

Answer. Navy expects to meet the May 1, 1994 deadline. The potential exists to impact the base closure and realignment of 1993. However, at this point in the evaluation process it is too early to tell.

BASE STRUCTURE VS. FORCE STRUCTURE

Question. We hear every year that the program level constitutes a replacement value of once in a hundred years. Does this mean that base structure is not in line with force structure?

Answer. Partly. Base structure reductions have lagged behind the force structure downsizing. However, the BRAC actions currently underway, as well as those expected from BRAC 95, will attempt to achieve a balance between our shore infrastructure and the force structure it supports. Even at those levels we must combine the proper mix of real property maintenance funding, MILCON, replacement/modernization funding and life cycle costing decisions in order to take care of the infrastructure that remains.

Question. Do you foresee major realignments and closures next year as we saw last year? Do you expect that the next year's realignment and closure will bring base structure in line with force structure?

Answer. Reducing the Department of Defense (DoD) infrastructure through base closures and realignments is a top Defense priority and therefore a Department of the Navy's top priority. The Navy must reduce its base structure capacity commensurate with approved roles and missions and force structure. We anticipate our 1995 recommendations to the Secretary of Defense will contain major base realignments and closures. The Defense Base Closure and Realignment Act of 1990 mandates that DoD recommendations be made on the basis of the force structure plan. Therefore, we strive in our analysis of installation data and in developing our recommendations to reduce our base structure to the minimum capacity needed to meet the approved force structure requirements.

Question. Is the Navy pursuing other program initiatives to reduce facility support outside of base realignment and closure? Do you have an aggressive program for reducing the number of facilities that are excess to current needs?

Answer. The Navy is working to develop a demolition account within the military construction budget. This account would be used to fund demolition of facilities which are no longer needed, have high ownership costs, and/or present a safety or environ-

mental hazard. This will allow for the consolidation of functions and reduction in the number of facilities in the Navy's inventory.

BASE CLOSURE REVENUES

Question. For each round of base realignment and closure, how much in revenues from land sales was originally estimated and how much is now expected?

Answer. Anticipated land sales revenue:

(In millions of dollars)

	Initial budget	Last budget submission
BRAC 88	\$117	
BRAC 91	775	\$749.9
BRAC 93	578	

No land sales revenue is anticipated for BRAC 88 bases due to interest by other federal agencies and McKinney Act providers in Naval Stations New York and Puget Sound.

Question. Explain the major reasons why estimated revenues were or will not be achieved.

Answer. The emphasis of the Base Closure program has changed from an attempt to maximize the revenues from sale of surplus property to one emphasizing the return of property to local communities to precipitate economic redevelopment. Both the Presidents Five Point Plan and the Pryor amendment to the FY-94 DoD Authorization Act stressed the need to turn properties over to communities at below market value to facilitate economic recovery.

ENVIRONMENTAL COMPLIANCE

Question. Admiral Buffington, approximately 25 percent or \$80 million of your military construction request is for environmental compliance. How do you feel about this level of funding? Is it absolutely necessary this year and did it replace quality of life projects or readiness projects?

Answer. This funding level is required to address the Navy's most pressing environmental compliance problems which require military construction solutions. All of the environmental projects are at installations which are currently out of compliance with federal, state or local regulations or will be out of compliance within the next few years. These projects did not replace any quality of life or readiness projects.

Question. Recognizing that OSD gave emphasis to funding environmental compliance projects in fiscal year 1994, do you see this program level being maintained next year?

Answer. Yes. I anticipate the funding level for environmental compliance in the Navy's fiscal year 1996 Military Construction program will be between \$75 million and \$100 million.

NAPLES, ITALY

Question. The Navy is requesting \$28.5 million for projects at the Naples complex. Does this request complete the military construction requirements at this site?

Answer. Additional Military construction is required in Naples to complete our planned upgrade to airfield operations and Quality of Life (QOL). These plans remain essentially the same as in our March 1992 report to the subcommittee.

	<i>Thousands</i>
Operations Center (Admin II)	\$10,100
Quality of Life III	7,600
Air Cargo Terminal	6,800
Aircraft Maint Hangar	10,100
Air Passenger Terminal	5,300

Question. What is the status of Navy plans for third party construction of housing, school and support facilities for family housing at Naples?

Answer. The proposed acquisition of support facilities in Naples is part of our "Rent-a-Village" concept. We plan to enter into long term lease agreements for these facilities in three separate packages as outlined below:

Request For Proposal I—All land, high school, elementary school, 500 units housing w/options for up to total of 1000 units.

Issued—21 November 91

Phase I proposals received—29 January 92

Phase II received—13 October 92

Evaluation complete—18 November 92

Discussion began—March 93

Government Accounting

Office protest—August 93

Recommended award—Spring 94

Ministry of Defense

Italy concurrence—Summer 94

Congressional concurrence—Summer 94

Lease execution—October 94

Beneficial Occupancy

Date housing—Fall 95

Beneficial Occupancy

Date school—Fall 96

Request For Proposal II—Hospital, child development center, chapel, theater, public works shops, fire station, community centers, youth services, convenience store, Fleet recreational center, support services, and personally owned vehicle processing.

Issue fiscal year 1995

Hospital will be separate package

Request For Proposal III—Physical fitness center, Navy lodge, Morale Welfare & Recreation facilities, exchange, commissary, Defense Material Reutilization office, and flag housing

Issue fiscal year 95/Fiscal Year 96.

ANECHOIC CHAMBER AT PATUXENT RIVER

Question. To date, \$20 million has been appropriated as part of phase funding for construction of an anechoic chamber at Patuxent Naval Air Station, Maryland. What are the Navy's plans for use of these initial funds? When will an initial contract be let?

Answer. The initial \$20 million appropriation has been held by OSD pending resolution of competing Navy and Air Force interests to perform the work which generates the requirement for the

chamber. The Navy cannot use the initial \$20 million for construction until such time as the project is approved by DOD. The Navy is using funds from its planning and design account to develop preliminary construction plans in anticipation of a final resolution.

Question. How much is required to complete the project?

Answer. Based on the recent parametric estimating and programming (PEP) submittal, additional funds in the amount of \$40,990,000 are required to complete the project.

Question. When will the Navy request the balance of the funding?

Answer. At the present time, the Navy has no plans to request the balance of funding necessary to construct the project.

PROGRAM LEVEL: NAVY RE-ESTIMATE

Question. In January of 1993, the Navy projected a military construction program level for fiscal year 1995 of \$720 million. Now, the Navy is requesting \$320 million for fiscal year 1995. Explain the reason for such a reduction in one year's time?

Answer. The Navy's fiscal year 1995 military construction budget is based on fiscal realities and the continuing drawdown of force levels and base structure. This reduced budget follows a Priority Investment Program that includes consideration of unstable force structure and previous base closure actions. It retains the most essential projects meeting the MILCON program objectives (Compliance (Environmental and Safety), Essential Mission Support/Training, and critical Quality of Life (QOL)) necessary to maintain required military readiness levels supporting the Navy's "From the Sea . . ." strategy.

Question. Does this argue against biennial budgeting?

Answer. No. Navy continues to support biennial budgeting of the military construction program. Recent budget year programs reflect unique circumstances aligned with significant changes in mission roles, rapid reduction in current and future force levels, and downsizing of base structure to match force levels. The Navy continues to support a biennial budget as a viable mechanism to produce balanced budget requests meeting program objectives of Compliance, Mission Support and Quality of Life.

FAMILY HOUSING CONSTRUCTION

Question. The fiscal year 1995 budget for new family housing construction is \$18.3 million for 136 homes in San Diego, California. Explain why housing construction was limited to San Diego.

Answer. The Navy's FY 1995 family housing new construction request reflects Department of Defense fiscal priorities and budget constraints.

PLANNING AND DESIGN

Question. Your outyear program shows an increase in program level. Is there sufficient planning and design funds in the fiscal year 1995 request to sustain the projected trend in the outyears?

Answer. Yes, the amount budgeted in fiscal year 1995 for Planning and Design is sufficient to cover outyear design requirements.

FAMILY HOUSING—CBO REPORT

Question. The Congressional Budget Office has produced a report of alternatives to maintaining current policy for family housing. Does the Navy see any merit in any of the options identified by CBO for reducing the housing program?

Answer. The Navy believes there is merit in reducing the family housing inventory and has begun doing so as the result of the last two rounds of base closures. Further reductions in inventory are planned consistent with a reduced force structure.

With the Base Realignment and Closure (BRAC) decision of 1991 and 1993, the Marine Corps will close approximately 11 percent of the housing we own in the United States. Whether the ongoing overall force structure drawdown will require any additional inventory reduction is a site-specific issue, for which we have an established process to determine changes in family housing. With this process and some features of the CBO study recommendations, the Marine Corps should be able to "right-size" our housing inventory.

Question. Since family housing constitutes over 40 percent of the budget, is the Navy pursuing other initiatives not identified by CBO?

Answer. The Navy is studying all of the CBO options and is also looking at legislative authority that would permit the use of the proceeds from the sale of family housing at non-base closure locations for the replacement or revitalization of deteriorated homes.

The Navy is considering authority to establish a Housing Investment Board that would provide financial incentives in a partnership with developers who would build housing for military families.

The investment by the Housing Investment Board would be repaid at the time of the sale of the property and the proceeds would be available for other partnerships.

Marine Corps housing constitutes only 1.7 percent of the Marine Corps budget. The Marine Corps is currently pursuing variations of portions of the CBO study.

AVERAGE AGE OF STRUCTURES

Question. What is the average age of housing designated for upgrade or improvement?

Answer. The average age of family housing designated for upgrade or improvement is 34 years.

The average age of Marine Corps housing is 35 to 40 years old. In the Fiscal Year 1995 program 112 units at Marine Corps Logistics Base, Albany, Georgia, and 260 units at Marine Corps Base, Camp Lejeune will be upgraded or improved.

FAMILY HOUSING—INVENTORY

Question. How many family housing units do you have in the United States, and how many overseas, excluding Sections 801 and 802, and excluding leases?

Answer. As of 30 September 1993, excluding Sections 801 and 802 there are 70,147 homes worldwide in the Navy's inventory. Of those 57,685 are in the United States and 12,462 Overseas. The Marine Corps had 23,071 homes; 22,592 homes in the United States and 479 homes overseas in Iwakuni, Japan.

Question. How many Section 801, Section 802, and leased units do you have in the United States, and how many overseas?

Answer. As of 30 September 1993, the Navy has 2,070 Section 801 homes, 71 domestic leases, and 1,788 foreign leases.

The Marine Corps has 600 Section 801 homes at Marine Corps Air Ground Combat Center, Twentynine Palms, California. The Marine Corps also has 75 leased homes at the Marine Corps Recruit Depot, San Diego, California, but none overseas.

There are no Navy and Marine Corps Section 801 or Section 802 projects located at overseas locations. There is only one Section 802 project in the United States, 276 homes for Marine Corps families at Marine Corps Air Station, Kaneohe Bay, Hawaii.

HOUSING DEFICITS

Question. What is your current worldwide family housing deficit?

Answer. The Navy's projected housing shortage is 21,100 homes. The Marine Corps family housing deficit is 7,200.

Question. What are your three largest deficits, and how large are they?

Answer. The three Navy locations with the largest projected deficits are: San Diego, California, 5,871 homes; Mayport, Florida, 1,391 homes; and New London, Connecticut, 703 homes. The three largest deficits for the Marine Corps are Marine Corps Base, Camp Pendleton, 6,000 homes; Marine Corps Air Ground Combat Center, Twentynine Palms, California, 600; and Marine Corps Air Station, Beaufort, South Carolina, 600 homes.

Question. What are your three most expensive deficit locations, based on actual payments of housing allowances?

Answer. Based on a comparison of Variable Housing Allowance rates, the three most expensive Navy deficit locations are San Diego, California; New London, Connecticut; and Whidbey Island, Washington. The Southern California locations which includes two bases scheduled for realignment, El Toro and Tustin, are the Marine Corps' three most expensive deficit locations.

Question. How many families are on waiting lists for government-provided family housing, and what is the average waiting time?

Answer. As of 30 September 1993 there were 25,000 on waiting lists for Navy family housing. The waiting times for assignment to family housing vary from one to 36 months with an average wait of 4 to 8 months. The number of families on the waiting list reflects a combination of families who: would prefer to live in government housing; are unsuitably housed in the private community; or expect assignment to government quarters during their tour of duty. The waiting list excludes families who decided not to apply for assignment to government quarters because it would not become available during their entire duty at that installation.

There are 6,425 families on the Marine Corps waiting lists with an average waiting period of 7 months. However, the waiting period ranges from 3 months to 2 years depending on the location, rank, and family composition.

DEFERRED MAINTENANCE

Question. What percent of the family housing maintenance and repair requirement will be met within the fiscal year 1995 budget request?

Answer. The Navy's FY 1995 budget request meets 86 percent of the total maintenance and repair requirement. 40 percent of the Marine Corps' maintenance and repair requirement will be met within the Fiscal Year 1995 request.

Question. What is the current backlog of deferred maintenance?

Answer. The Navy's current backlog of Family Housing deferred maintenance is \$1.5 billion.

Question. How much additional maintenance and repair work could be performed during fiscal year 1995, beyond the budget request, and what are the limiting factors?

Answer. The Navy could perform an additional \$55 million in family housing maintenance and repair work beyond the FY 1995 request. The limiting factors for the Navy include design status of the projects and the availability of additional maintenance and repair funds to commence design on projects. An additional \$21.4 million in maintenance and repair work could be performed by the Marine Corps beyond the Fiscal Year 1995. The limiting factors to performing additional maintenance for the Marine Corps are the type and amount of work required.

CONSTRUCTION IMPROVEMENTS

Question. How much additional construction improvement work could be performed during fiscal year 1995, beyond the budget request, and what are the limiting factors?

Answer. The Navy could perform an additional \$124 million in construction improvement work in FY 1995 including \$32.3 million for Oahu. The Navy has projects that are designed and ready to execute. The limiting factors to performing additional construction improvements include the number of projects currently designed or in the process of being designed, and the amount of improvement design funds currently available to do any additional design of improvement projects.

The Marine Corps could perform an additional \$76.4 million in construction improvement work in Fiscal Year 1995 contingent upon the availability of funding.

Question. How many family housing units are programmed for whole house revitalization within the budget request, and what is the funding increment for this work?

Answer. The Navy's FY 1995 budget request for improvements includes \$112.3 million for the whole-house revitalization of 1,862 units. The Marine Corps' Fiscal Year 1995 request includes \$16 million for whole-house revitalization of 372 homes; \$6.5 million for 112 homes at Albany, Georgia; and \$9.5 million for 2609 homes at Camp Lejeune, North Carolina.

CONTRACT CLEANING

Question. For how many units are you requesting contract cleaning funds, what is the average cost per unit, and what is the total amount requested?

Answer. The Navy's FY 1995 request includes \$1 million to clean approximately 5,700 homes at an average of \$220 per unit. The Marine Corps has no costs for contracting in the Fiscal Year 1995 budget.

Question. Describe in some detail how you document savings for each contract cleaning expenditure.

Answer. The Navy is performing contract cleaning only at overseas locations where an offset in temporary lodging allowances can be documented to result in savings to the government. The Marine Corps has no expenditures for contract cleaning.

CURRENCY FLUCTUATION

Question. What currency gains or losses are projected for your overseas housing programs during fiscal years 1994 and 1995?

Answer. The Navy does not anticipate any currency gains or losses in fiscal year 1994. As was the case last year, currency projections appear to be on target. The Navy will review the fiscal year 1995 projects at the beginning of the year to assess whether there will be gains or losses depending on the foreign currency rate in effect at that time.

The Marine Corps has not had any reported gains or losses from the currency fluctuation at its only overseas location, Iwakuni, Japan.

OFFICER QUARTERS

Question. Please submit for the record a table showing: (a) how many general/flag officer quarters you have, separately identifying CONUS and OCONUS locations, (b) how many of these quarters exceed the statutory space limitation, and (c) the average O&M cost per unit.

Answer. A table showing the number of General and Flag Officer Quarters, average operation and maintenance costs, and number of quarters exceeding statutory space limitations for the Navy follows:

Military Department	No. of Units	Avg O&M Cost Per Unit	No. G&FOs Exceeding Stat. Limit
Navy Total ¹	135	\$42,800	113
CONUS ¹	112	42,590	91
OCONUS ¹	23	43,878	22
Marine Corps:			
CONUS	27	19,841	18
OCONUS	0	0	0

¹ End of FY 1992 data.

Question. Please submit for the record a table showing all GFOQ projects included in the budget request, identifying the number of quarters and the amount requested for each installation. This table should separately identify new construction projects, construction improvement projects, and maintenance and repair projects.

Answer. A table showing Navy Flag Quarters projects included in the FY 1995 budget request follows:

(Dollar amounts in thousands)

Installation	No. of quarters	Amount
New construction projects		
Improvements projects		
NSA New Orleans, LA	1	\$49.7
Maintenance and repair projects		
PWC San Diego, CA	3	167.5
PWC Washington, DC	4	121.7
PWC Great Lakes, IL	2	86.7
PWC Norfolk, VA	9	399.0
NSA Naples, IT	1	29.6
PWC Yokosuka, JP	1	93.4
Total M&R	20	898.0
Total Navy	21	947.7
Marine Corps		
New construction projects		
Improvement projects		
Maintenance and repair projects		
Marine Barracks, DC	3	135.4
MCAS Cherry Point, NC	1	45.0
Total M&R	4	180.4

MILITARY COOPERATIVE HOUSING

Question. Please bring us up-to-date with any proposals you may have for military cooperative housing, such as the Soldier Housing And Retirement Equity program.

Answer. The Navy has employed a contractor to develop an acquisition plan to identify sites where military cooperative housing projects may be feasible and to identify parties capable of producing and managing cooperative housing. The plan is in the draft stage. The Marine Corps has no proposals for military cooperative housing.

HOMEOWNERS ASSISTANCE PROGRAM

Question. Please provide a list of your Service's installations from which Homeowners Assistance claims are currently pending.

Answer. There are currently four Navy locations with pending claims: Naval Shipyard, Portsmouth, New Hampshire; Naval Air Station, Chase Field, Texas; Naval Submarine Base, New London, Connecticut; and Naval Activities in Charleston, South Carolina. The Marine Corps currently has no Homeowners Assistance claims pending.

Question. Is the program meeting the needs of your Service?

Answer. Inadequacies were identified by Commander in Chief, Atlantic Fleet in Fiscal Year 1993:

The law allows up to 90 percent of prior fair market value to be used as the basis for benefits in the case of Government purchase. However, the program uses 75 percent.

The Internal Revenue Service has ruled, based on wording in the law, that benefits received under the Homeowners Assistance Program be treated as income.

Closing costs associated with home sale are not provided for.

The 90 percent rate was initially used when there were few base closures. With Base Realignment and Closures 91, and the many

bases announced for closure, OSD amended the payment to 75 percent, with the intent of encouraging more private sales.

The Army Corps of Engineers, executive agent for the Homeowners Assistance Program, has twice appealed the Internal Revenue Service determination that Homeowners Assistance Program benefits are taxable as ordinary income attributable to employment. Both appeals were denied.

An initiative for tax relief is included in the 1995 DOD Omnibus Bill to amend the current tax code, to be effective for taxable years beginning after December 31, 1989. The amendment would:

Permit amounts received in connection with the sale of a principal residence under the Homeowners Assistance Program to be treated as an amount realized on the sale of a principal residence, and thus not treated as compensation for services for tax purposes.

Permit homeowners 55 years of age and older to exclude from taxable income up to \$125,000 of gain on the sale of a principal residence.

Exempt from taxes, income which results from discharge of mortgage indebtedness pursuant to the Homeowners Assistance Program.

PROJECTS NO LONGER REQUIRED

Question. Please provide for the record a list of any projects, either in the fiscal year 1995 request or in prior years' unobligated balances, that are no longer required due to force structure changes, base realignments or closures, mission changes, bilateral or multilateral agreements, or other reasons. Please include on the list military construction projects, family housing construction and construction improvement projects, and projects financed under the base realignment and closure accounts.

Answer. The Navy and the Marine Corps do not have any FY 1995 or prior year projects that are no longer required due to force structure changes, base realignments or closures, mission changes, bilateral or multilateral agreements, or other reasons. All such projects were identified to the Committee and taken as offsets during the fiscal year 1994 appropriation.

ENVIRONMENTAL RESTORATION COSTS

Question. The Base Closure accounts are the sole source of funds for the Environmental Restoration of closure locations. Are sufficient funds included in the fiscal year 1995 budget to fully fund this work?

Answer. The Environmental Restoration portion of the fiscal year 1995 Base Closure request was formulated with the intention of aggressively supporting the President's Five Part, Community Reinvestment Program, of which Fast-Track Cleanup is an integral component. The fiscal year 1994 rescission will cause many restoration actions programmed in fiscal year 1994 to defer into fiscal year 1995, resulting with insufficient funds to accomplish the aggregation of both years.

IMPOUNDED FISCAL YEAR 1994 FUNDS

Question. The President's rescission message dated November 1, 1993 proposed to rescind fiscal year 1994 funds from the active services and from the Reserve Components. The same total amount was rescinded in Public Law 103-211, but the details differed. Has the difference between the proposed rescission and the enacted rescission been released to you, or is it being impounded until the rescission clock expires on March 25? Are the reserve Components being handled the same as the services?

Answer. The rescission details have been released to both the active and reserve components with \$350.3M rescinded from BRAC 93 and \$626,000 from Military Construction Naval Reserve.

DEFENSE APPROPRIATIONS BILL

Question. The budget proposes a new general provision in the Defense Appropriations bill—Section 8065—which would permit Family Housing O&M costs to be financed under that bill. Why is this language needed, and what plans do you have for using such authority if it is granted?

Answer. This general provision was proposed by the Air Force. The Navy does not anticipate a need to utilize this authority.

BASE STRUCTURE VS. FORCE STRUCTURE

Question. Can you give us a measure of how your base structure has changed relative to changes in your force structure? For example, how do reduction in number of bases and total square footage of facilities relate to manpower reductions?

Answer. Under 1988 through 1993 Base Realignments and Closures, the Navy will close ninety-nine installations and realign thirty-seven installations. This represents a fifteen percent reduction in the total Navy's Plant Replacement Value vs. a 30 percent planned reduction in manpower from 1988 to projected 1999 totals.

BRAC IV

Question. Has your fiscal year 1995 budget request been constrained due to base structure uncertainties that will be resolved in the next round of base realignments and closures?

Answer. While the fiscal year 1995 budget request reflects fiscal realities and the continuing drawdown of force levels and base structure, it is not constrained by these factors. The reduced budget follows a Priority Investment Program that includes consideration of unstable force structure and previous base closure actions, while retaining the most essential Compliance, Mission Support and QOL projects necessary to maintain required military readiness levels supporting the Navy's "From the Sea . . ." strategy.

TOP GUN

Question. As you know, Top Gun will be moving to Fallon, Nevada and the Base Closure portion of this budget submission provides money to carry out the transfer. Can you tell me if the Top Gun move to Fallon is on schedule and does this budget keep it on schedule? Would you be able to provide that schedule?

Answer. The relocation of Top Gun was scheduled to be completed by the end of fiscal year 1997 and this budget was originally developed to accommodate that schedule. However, the impact of the rescission is not reflected in this budget. The effect of the rescission on closure and realignment schedules is currently under review.

Question. I have been made aware that with the arrival of Top Gun, a Seabee Battalion and other units at Fallon, there will exist a critical need for expanded child care facilities, as well as a need to expand the base dining facilities. Can you tell me what plans, if any, there are to address these two problems?

Answer. Military construction projects providing child care facilities and galley additions at Fallon have been prepared and are being considered for inclusion in the future year programs.

[CLERK'S NOTE.—End of questions for the record submitted by Chairman Hefner.]

[CLERK'S NOTE.—The Navy submitted additional information for the record:]

Changes to scope of FY 1994 Family Housing Project as indicated below. Revised DD1391 is attached.

Project	Scope change	Remarks
PWC Norfolk/NAB Little Creek Family Housing (H-258).	Construct 188 JEM, 3-bedroom units vice 13 2-bedroom and 175 3-bedroom units.	Revise block 9 and 10 to reflect new requirements.

1. COMPONENT NAVY	2. DATE			FY 19 94 MILITARY CONSTRUCTION PROJECT DATA		
3. INSTALLATION AND LOCATION PWC NORFOLK/NAB LITTLE CREEK, VIRGINIA				4. PROJECT TITLE FAMILY HOUSING		
5. PROGRAM ELEMENT	6. CATEGORY CODE 711	7. PROJECT NUMBER H-258	8. PROJECT COST (\$000) \$50,674			
6. COST ESTIMATES						
ITEM	U/M	QUANTITY	UNIT COST	COST (\$000)		
Family Housing:	FA	392	61,270	24,018		
Buildings	SF	508,370	45.41	(23,083)		
Fire Sprinklers	SF	508,370	1.84	(935)		
Supporting Costs:				21,511		
Paving & Site Improvements				(7,038)		
Utilities				(5,393)		
Landscaping				(1,244)		
Recreation				(448)		
Special Construction Features				(249)		
Demolition				(5,384)		
Community Center/Project Office	SF	7,200		(596)		
Family Housing Office	SF	14,000		(1,159)		
Subtotal				45,529		
Contingency (5%)				2,277		
Total Contract Cost				47,806		
Supervision, Inspection & Overhead (6%)				2,868		
Total Request				50,674		
10. DESCRIPTION OF PROPOSED CONSTRUCTION						
The junior enlisted units will be two story family housing units and the officer units will be one story ranch style: wood frame or masonry with stucco or prefinished siding, covered parking, patios, exterior storage, privacy fencing, and recreational facilities.						
Grade	Bedroom	Net Area	Project Factor	Unit Cost	No. Units	Total (\$000)
JEM	3	1200	0.8567	\$53.00	188	10,243
JEM	4	1350	0.8567	\$53.00	175	10,727
JEM	5	1550	0.8567	\$53.00	25	1,759
SO	4	1700	0.8567	\$53.00	1	77
ICQ	4	1870	0.8567	\$53.00	1	85
FO	4	2100	0.8567	\$53.00	2	191
					392	23,083

1. COMPONENT NAVY	FY 19 <u>94</u> MILITARY CONSTRUCTION PROJECT DATA	2. DATE
3. INSTALLATION AND LOCATION PWC NORFOLK/NAB LITTLE CREEK, VIRGINIA		
4. PROJECT TITLE FAMILY HOUSING		5. PROJECT NUMBER H-258
11. REQUIREMENT:		
<u>Project:</u> This project represents the second phase of a program to demolish 608 deteriorated, substandard family housing units at Ben Morrell and construct replacement homes. Demolition of 287 units occurs under Phase I. This phase demolishes the remaining units and provides 388 replacement homes. Replace 4 units at Little Creek. Demolition includes removal of asbestos materials and underground storage tanks. Construct a community center and a Family Housing Office. (Current Mission)		
<u>Requirement:</u> This project demolishes existing units determined to be structurally unsound, and replaces at a lower density. An economic analysis has been prepared comparing the alternatives of status quo, revitalization, and replacement construction. Replacement construction is the recommended alternative as it corrects current deficiencies and provides modernized, energy efficient homes. This project includes community recreational facilities and expanded common open spaces reflecting the Navy's Neighborhoods of Excellence concepts. Recreational facilities include tot lots, jogging paths, and playing courts/fields in accordance with MIL-HDBK-1035. A community center and a one-stop-shop Family Housing Office are included in the replacement project.		
<u>Current Situation:</u> Existing housing at Ben Moreell is structurally unsound. Units are failing at the rate of six to eight per month. Failures of occupied units include collapsed plaster ceilings, severe water and termite damage, and sewer and gas leaks. 388 units will replace the existing 608 substandard units to bring site density into compliance with family housing standards. The housing area currently does not have a community center. The area is the site of a housing office which supports approximately one-half of the housing staff. The office is a housing unit converted to administrative space. The remainder of the housing staff is located in a temporary lease facility located at Janaf Shopping Center. The lease is up at the end of FY-95. The four officer units at Little Creek are structurally unsound and pose fire and safety hazards. The electrical wiring is severely deteriorated. Replacement wiring is cost prohibitive. The units experience frequent roofing and heating system failures. The Little Creek replacement units are billet quarters.		
<u>Impact If Not Provided:</u> If replacement homes are not provided for the Ben Moreell area, a severe shortage of available housing for junior enlisted personnel will exist. Adequate, affordable, private sector housing for junior enlisted personnel is limited in the metropolitan area. This is particularly true for large bedroom units. If current administrative facilities are not replaced, the housing staff which services incoming and departing families will continue to be split between the existing office at Ben Moreell and the Janaf Office. The lease at Janaf expires the end of FY-95. Efficiency and customer satisfaction will benefit by collocating these housing functions at a one-stop-shop. Failure to replace the four billet quarters will result in flags and senior officers displacing field grade officers in order to live on base. The field grade units will require significant improvements to accommodate the entertainment requirements associated with the billet positions.		
Project design conforms to Part II of Military Handbook, 1190, "Facilities Planning and Design Guide".		

DOD FAMILY HOUSING COST MODEL

SERVICE: DON LOCATION: PWC NORFOLK/NAB O'SEAS: N YEAR: (94)
(Y/N?)

BASELINE: (392) (1297) (\$53.00) = (\$000) \$ 26,944
(# OF UNITS) (AVG NET SF) (\$/NSF) = 5' LINE

PROJECT FACTORS:
(0.92) (0.96) (0.97) = 0.8567
(ACF) (PROJ SIZE FAC) (UNIT SIZE FAC) = PROJ FAC

HOUSING COST:
(\$26,944) (0.8567) = \$ 23,083
(5' LINE COST) (PROJ FAC) = HSG COST

(\$2) (0.92) (392) (1297) = \$ 935
(/UNIT SPRINK) (ACF) (UNITS) (AVG NET SF) = T. SPRINKLERS

(\$0) (0.92) (392) = \$ 0
(/UNIT SOLAR) (ACF) (UNITS) = T. SOLAR

(\$23,083)+(\$935)/(392) = \$ 61.00
(HSG COST)+(SOL/SPR COST)/(UNITS) = AVG / UNIT

SUPPORTING COSTS:

PAVING AND SITE IMPROVEMENTS	\$ <u>7,038</u>
UTILITIES	\$ <u>5,393</u>
LANDSCAPING	\$ <u>1,244</u>
RECREATION	\$ <u>448</u>
SPECIAL CONSTRUCTION FEATURES	\$ <u>249</u>
COMMUNITY SUPPORT FACILITIES	\$ <u>1,755</u>
DEMOLITION	\$ <u>5,384</u>

42.5 % OF TOTAL HOUSE COST SUPPORT COST: \$ 21,511

SUMMARY:

(\$23,083)+(\$935)+(\$21,511) = \$ 45,529
(HSG COST)+(SOL/SPR COST)+(SUPPORT COSTS) = SUBTOTAL

(\$45,529)+(\$2,277)+(\$2,868) = \$ 50,674
(SUBTOTAL)+(CONTINGENCY)+(SIOH) = PROJ TOTAL

ROUND: \$ 50,674

(PROJ COST)/(UNITS)/(ANSF*PROJ FAC) = PROJ \$/NSF

PROJECT SIZE FACTOR
(# OF UNITS)

1 - 9 = 1.15
10 - 19 = 1.10
20 - 49 = 1.05
50 - 99 = 1.02
100 - 199 = 1.00
200 - 299 = 0.98
300 - 499 = 0.96
500+ = 0.95

UNIT SIZE FACTOR
(AVG NSF)

600 - 749 = 1.05
750 - 849 = 1.03
850 - 949 = 1.01
950 - 1050 = 1.00
1051 - 1150 = 0.99
1151 - 1250 = 0.98
1251 - 1350 = 0.97
1351+ = 0.96

WEDNESDAY, MARCH 9, 1994.

**DEPARTMENT OF THE AIR FORCE, AIR FORCE
RESERVE, AND AIR NATIONAL GUARD**

WITNESSES

**JAMES F. BOATRIGHT, DEPUTY ASSISTANT SECRETARY OF THE AIR
FORCE**

**MAJOR GENERAL JAMES E. MCCARTHY, THE AIR FORCE CIVIL ENGI-
NEER**

**BRIGADIER GENERAL JOHN A. BRADLEY, DEPUTY TO THE CHIEF OF
THE AIR FORCE RESERVE**

**BRIGADIER GENERAL (S) PAUL A. WEAVER, JR., DEPUTY DIRECTOR,
AIR NATIONAL GUARD**

STATEMENT OF THE CHAIRMAN

Mr. HEFNER. The committee will come to order.

Today we will review the Military Construction, Family Housing, and Base Closure Programs of the Air Force, Air Force Reserve and the Air National Guard. Our witnesses today are Mr. James Boatright, Major General James McCarthy, Brigadier General John Bradley of the Air Force Reserve, and Colonel Paul Weaver of the Air National Guard.

Gentlemen, we appreciate you appearing before the committee here this morning. And I see you have a composite statement for the active as well as Reserve components and your statement will be made a part of the record, and you can summarize and proceed in any way that you see fit. And I understand that you will do the summarizing, Mr. Boatright. You pull rank on the fellows. It is always good to have you back with us year after year.

STATEMENT OF JAMES F. BOATRIGHT

Mr. BOATRIGHT. Thank you, Mr. Chairman and Members of the committee. I appreciate the opportunity to be here to discuss the Department of the Air Force military construction and military family housing budget request, and the Air Force part of the defense base closure and realignment budget request for fiscal year 1995. With me is Major General James McCarthy, the Air Force Civil Engineer, Brigadier General Bradley, the Deputy Chief of Staff of the Air Force Reserve, and Colonel Paul Weaver, the Deputy Director of the Air National Guard.

I appeared before this committee last year and indicated that it would be my last appearance. As you know, Mr. Chairman, I had planned to retire last month, but I must tell you that the Secretary of the Air Force is very persuasive and I have reluctantly agreed to stay on another year to help the Air Force develop its recommendations for the final round of base closures in 1995. As a re-

sult, I am here before this committee once again, and as always, it is a sincere pleasure.

As this committee knows, entire roles and missions have been evaluated through the Bottom Up Review. Force structure is coming down and unprecedented reorganization is underway. An essential part of the Air Force strategy for downsizing is a concurrent reduction of the size of the physical plant.

Our goal is to reduce facilities and infrastructure to an affordable level consistent with our missions of today and tomorrow. Reducing our basing structure to an affordable size is perhaps the single most challenging task my colleagues and I face today.

The Department of Defense has gone through three difficult base closure rounds and is in the process of implementing those closures. We are currently collecting data necessary to support the analysis for BRAC 1995. However, relying exclusively on base closures as a solution to the problem of reducing our physical plant is not wise for several reasons.

First, closures are very painful to the adjacent communities. They are very expensive to implement, and most importantly, closures limit the basing flexibility of tomorrow's Air Force.

Consequently, we in the Air Force are pursuing a comprehensive approach which consists of three principal methods. Base closures and overseas withdrawals remain the primary means. However, consolidation of facilities at existing bases and downsizing the large industrial-type operations such as depot maintenance activities are also being pursued.

These complementary approaches will allow the Air Force to close a few less bases. However, they are not free and some considerable investment up front is also required, but not to the extent experienced with complete closures.

The Air Force must be successful in reducing the facility infrastructure to an affordable size because not to do so would result in an unacceptable reduction of the quality of the facilities in which the Air Force people live and work. Maintaining quality is absolutely essential both because it is our obligation and it is a good business decision.

A reduced basing structure will generate the same benefits for a smaller force as long as the quality of facilities remain high. For this reason, we are committed to preserving the quality of the facilities, the utilities and other supporting infrastructure of those bases that remain in our base structure.

The Air Force program before this committee is consistent with the Department of Defense priority investment strategy. This strategy supports projects for environmental compliance, treaty and international agreement compliance, new mission beddown and realignments and quality of life.

We view this approach for fiscal year 1995 as a prudent management strategy in this period of uncertainty in force structure levels and basing structure. However, I expect an increase investment in subsequent years as the force structure and base structure stabilizes.

The active Air Force military construction request for fiscal year 1995 totals \$1.4 billion. When the Air Reserve Components' Program of \$151 million is added, the total is \$1.56 billion. Included

in the figure for the active force is \$357 million for traditional MILCON, and \$1.05 billion for military family housing. \$151 million in the Air Force Reserve Component Program consists of \$123 million for the Air National Guard and \$28 million for the Air Force Reserve.

Our fiscal year 1995 funding request for the base closure account is designed to support the President's five-part program by continuing to close bases as quickly and efficiently as possible while making properties available to communities for economic reinvestment at the earliest possible opportunity. After a complete review of all remaining requirements for BRAC 88 and BRAC 91, we determined there was sufficient unobligated balances available.

Consequently, our request for \$107.4 million is for BRAC 93 bases and it represents only the environmental requirement for fiscal year 1995 at those bases.

The Department has been and continues to be committed to timely, thorough environmental restoration and a smooth transition of these bases to civilian means, consistent with the applicable laws, regulations, and the President's five-part program.

In conclusion, Mr. Chairman, I want to thank you and the committee for its strong past support of the total Air Force Program. I also thank you for your support to me as the Deputy Assistant Secretary of the Air Force. It has been a professional and personal pleasure to have worked with this committee.

In addition, I would like to acknowledge your professional staff which the Air Force enjoys and has the privilege of working with on a day-to-day basis. I have a written statement which you have agreed will become a part of the record. My colleagues and I will be most happy to address any questions that this committee has. Thank you, sir.

[Prepared statement of James F. Boatright follows:]

DEPARTMENT OF THE AIR FORCE

PRESENTATION TO THE COMMITTEE ON APPROPRIATIONS

SUBCOMMITTEE ON MILITARY CONSTRUCTION

UNITED STATES HOUSE OF REPRESENTATIVES

MARCH 1994

SUBJECT: FISCAL YEAR 1995 ACTIVE AIR FORCE MILITARY
CONSTRUCTION AND FAMILY HOUSING PROGRAMS,
AIR NATIONAL GUARD AND AIR FORCE RESERVE PROGRAMS
AND AIR FORCE BASE CLOSURES

STATEMENT OF: MR. JAMES F. BOATRIGHT
DEPUTY ASSISTANT SECRETARY OF THE AIR FORCE
(INSTALLATIONS)

NOT FOR PUBLICATION UNTIL RELEASED
BY THE COMMITTEE ON APPROPRIATIONS
UNITED STATES HOUSE OF REPRESENTATIVES



Biography

United States Air Force

Secretary of the Air Force, Office of Public Affairs, Washington, D.C. 20330-1000

JAMES F. BOATRIGHT

James F. Boatright is deputy assistant secretary of the Air Force for installations, Washington, D.C.

Mr. Boatright was born May 17, 1933, in Colorado Springs, Colo., where he graduated from Colorado Springs High School in 1951. He earned a bachelor of science degree in civil engineering from the University of Colorado in 1956 and attended the Federal Executive Institute in 1976.

A distinguished graduate of the Reserve Officer Training Corps program, he was commissioned as a second lieutenant in the U.S. Army Corps of Engineers in 1956. After completing a two-year tour of duty in the Army in 1958, Mr. Boatright began his professional career as a federal employee. He served with the Bureau of Reclamation, Grand Junction, Colo., as a civil engineer designing earth-fill dams and other hydraulic structures.

In 1959 he became a construction engineer with the U.S. Army Corps of Engineers in the construction management of Atlas missile launch sites in Kansas. As this construction effort neared completion in 1961, Mr. Boatright transferred to the U.S. Army Research and Development Laboratory, Fort Belvoir, Va., where he served as a civil engineer in the development of mobile construction equipment for Army construction units.

He began his career with the Air Force as a civil engineer in the Directorate of Civil Engineering, Headquarters U.S. Air Force, Washington, D.C., in 1966. His first assignment was as project engineer for Air Force construction in the Republic of Vietnam during the military buildup. In 1967 he was promoted to deputy chief, CONUS Construction Branch. He was named special technical adviser on legislative matters to the director of civil engineering in 1969. In 1970 he became deputy chief of the Engineering Division and was promoted to deputy director for construction in 1973.

Mr. Boatright has served in the Office of the Secretary of the Air Force, Air Force headquarters, since June 1976. He became acting deputy assistant secretary for installations in May 1979 and was formally appointed to this position in December 1981. In October 1982 Air Force environmental and safety functions were added to his responsibilities. In his present capacity, he is the senior Air Force manager, spokesman and defender of installations, environment and safety matters.

He is a registered professional engineer (civil/structural) in the District of Columbia and is affiliated with the Society of American Military Engineers. His awards include the Meritorious Civilian Service Award in 1976, Decoration for Exceptional Civilian Service in 1981 and 1988, Presidential Meritorious Executive Rank Award in 1985 and Presidential Distinguished Executive Rank Award in 1987. He also was awarded the Medal of Merit by the California National Guard in August 1986 and the Department of Defense Distinguished Civilian Service Award in 1988.

Mr. Boatright is married to the former Gloria Sellar of Augusta, Maine. They have three children: James Jeffrey, William Sellar and Jennifer Jane.



INTRODUCTION

MR. CHAIRMAN AND MEMBERS OF THE COMMITTEE, GOOD MORNING. I APPRECIATE THE OPPORTUNITY TO APPEAR BEFORE YOU THIS MORNING TO DISCUSS THE DEPARTMENT OF THE AIR FORCE MILITARY CONSTRUCTION (MILCON), MILITARY FAMILY HOUSING AND THE AIR FORCE PART OF THE DEFENSE BASE CLOSURE AND REALIGNMENT BUDGET REQUEST FOR FISCAL YEAR (FY) 1995. WITH ME TODAY IS MAJOR GENERAL JAMES E. MCCARTHY, THE AIR FORCE CIVIL ENGINEER; BRIGADIER GENERAL JOHN A. BRADLEY, DEPUTY CHIEF OF THE AIR FORCE RESERVE, AND COLONEL PAUL A. WEAVER, JR., DEPUTY DIRECTOR OF THE AIR NATIONAL GUARD.

OVERVIEW

AS YOU KNOW, MR. CHAIRMAN, BECAUSE OF A DECLINING DEFENSE BUDGET AND CHANGES IN THE THREAT, THE AIR FORCE IS NOW UNDERGOING A MAJOR REORGANIZATION, COMBINED WITH SUBSTANTIAL REDUCTIONS IN ITS FORCE STRUCTURE. ENTIRE ROLES AND MISSIONS, AS WELL AS FORCE STRUCTURE LEVELS HAVE BEEN EVALUATED THROUGH THE BOTTOM UP REVIEW. UNPRECEDENTED CHANGES IN OUR SECURITY ENVIRONMENT HAVE FORCED THIS REEVALUATION.

AN ESSENTIAL PART OF OUR STRATEGY FOR DOWNSIZING OUR FORCES IS A CONCURRENT REDUCTION OF THE SIZE OF THE PHYSICAL

PLANT COMMENSURATE WITH A SMALLER AIR FORCE. OUR AIM IS TO REDUCE FACILITIES AND INFRASTRUCTURE TO AN AFFORDABLE LEVEL IN A MANNER THAT IS CONSISTENT WITH THE REQUIREMENTS OF THE AIR FORCE TODAY AND TOMORROW. REDUCING OUR BASING STRUCTURE TO AN AFFORDABLE SIZE IS, PERHAPS, THE SINGLE MOST CHALLENGING TASK GENERAL MCCARTHY AND I FACE TODAY. WITHOUT THESE REDUCTIONS, THE QUALITY OF OUR FACILITIES WILL DETERIORATE AND CONSEQUENTLY, FORCE READINESS WILL BE DEGRADED.

THE DEPARTMENT OF DEFENSE HAS GONE THROUGH THREE DIFFICULT BASE CLOSURE ROUNDS AND IS IN THE PROCESS OF IMPLEMENTING THOSE CLOSURES. AS WE SIT HERE TODAY, THE AIR FORCE IS COLLECTING DATA NECESSARY TO SUPPORT THE ANALYSIS FOR BRAC 1995. HOWEVER, RELYING EXCLUSIVELY ON BASE CLOSURES AS THE SOLUTION TO THE PROBLEM OF REDUCING OUR PHYSICAL PLANT SIZE IS NOT WISE AS IT ELIMINATES TOO MUCH FLEXIBILITY FOR THE FUTURE. ALSO CLOSURES ARE PAINFUL TO THE ADJACENT COMMUNITIES AND ARE EXPENSIVE TO IMPLEMENT. AS THIS COMMITTEE KNOWS, OVER THREE BILLION DOLLARS IN ONE TIME COSTS INCLUDING CONSIDERABLE CAPITAL INVESTMENT TO RELOCATE FORCE STRUCTURE HAVE BEEN REQUIRED THROUGH THE FIRST THREE CLOSURE ROUNDS.

MOST IMPORTANTLY, HOWEVER, IS THAT CLOSURES LIMIT THE BASING FLEXIBILITY OF TOMORROW'S AIR FORCE. IF WE TAKE A MORE COMPREHENSIVE APPROACH TO REDUCE OUR FACILITY INFRASTRUCTURE BY COMBINING BASE CLOSURES WITH OTHER STREAMLINING INITIATIVES AT THE BASES TO BE RETAINED, FEWER BASES WILL NEED TO BE CLOSED

AND EVERYONE WINS. THE AIR FORCE RETAINS ADDITIONAL BASING FLEXIBILITY, INFRASTRUCTURE IS REDUCED TO AN AFFORDABLE SIZE, CLOSURE COSTS ARE REDUCED, AND COMMUNITIES ARE NOT SUBJECTED TO THE PAIN.

CONSEQUENTLY, THE AIR FORCE IS PURSUING A COMPREHENSIVE APPROACH WHICH CONSISTS OF THREE PRINCIPAL METHODS IN ORDER TO ACHIEVE THE NECESSARY REDUCTIONS. BASE CLOSURES AND OVERSEAS WITHDRAWALS REMAIN THE PRIMARY MEANS. HOWEVER, CONSOLIDATION OF FACILITIES ON EXISTING BASES AND DOWNSIZING OF LARGE INDUSTRIAL TYPE OPERATIONS SUCH AS DEPOT MAINTENANCE ACTIVITIES ARE ALSO BEING PURSUED. THESE COMPLEMENTARY APPROACHES ARE NOT FREE. CONSIDERABLE INVESTMENT UP FRONT IS ALSO REQUIRED, BUT, NOT TO THE EXTENT EXPERIENCED WITH COMPLETE CLOSURES.

AS I INDICATED, THE PRINCIPAL MEANS FOR REDUCING OUR FACILITY INFRASTRUCTURE IS THROUGH BASE CLOSURES IN THE CONTINENTAL UNITED STATES AND WITHDRAWALS FROM OVERSEAS INSTALLATIONS. SIGNIFICANT REDUCTIONS HAVE BEEN MADE SINCE THE FIRST BASE CLOSURE ROUND IN 1988: APPROXIMATELY, 17 PERCENT OF OUR PLANT VALUE HAS BEEN IDENTIFIED FOR CLOSURE. THE FIRST THREE ROUNDS OF BASE CLOSURES HAVE IDENTIFIED 26 DOMESTIC BASES FOR CLOSURE OR MAJOR REALIGNMENT. DURING THE SAME PERIOD, 24 MAJOR INSTALLATIONS IN EUROPE AND FOUR IN THE PACIFIC THEATER HAVE BEEN RETURNED TO THE CONTROL OF THE HOST NATION REPRESENTING A 60 PERCENT REDUCTION OF OUR OVERSEAS FACILITIES.

ONLY SIX MAIN OPERATING BASES IN EUROPE WILL REMAIN TO ACCOMMODATE THE AIR FORCE COMPONENT OF THE CAP OF 100,000 ACTIVE MILITARY PERSONNEL IN EUROPE.

AS WITH OTHER FACILITIES, WE ARE IN THE PROCESS OF DOWNSIZING OUR INVENTORY OF FAMILY HOUSING COMMENSURATE WITH THE REDUCED REQUIREMENT. A REDUCTION OF OVER 20,000 OWNED AND LEASED UNITS IN THE AIR FORCE HOUSING INVENTORY IS ALREADY IN PROGRESS THROUGH THE APPROVED CLOSURES. IN ADDITION, WE WILL IDENTIFY SURPLUS INVENTORY AT REMAINING BASES TO ENSURE WE KEEP ONLY THOSE HOUSING UNITS WE NEED.

ALTHOUGH SUBSTANTIAL PROGRESS HAS BEEN MADE IN THE FIRST THREE BASE CLOSURES ROUNDS, WE WILL NEED TO IDENTIFY A SUBSTANTIAL NUMBER OF ADDITIONAL CLOSURES/REALIGNMENTS IN THE 1995 ROUND. THIS FORTHCOMING BASE CLOSURE ROUND WILL PROVIDE OUR LAST OPPORTUNITY UNDER THE CURRENT BASE CLOSURE LEGISLATION TO CLOSE INSTALLATIONS IN THE UNITED STATES.

THE AIR FORCE HAS BEEN SUCCESSFUL IN CLOSING OPERATIONAL BASES CONSISTENT WITH THE DRAWDOWN OF OUR FORCE STRUCTURE. HOWEVER, WE HAVE NOT BEEN NEARLY AS SUCCESSFUL IN DRAWING DOWN OUR SUPPORT BASE STRUCTURE ESPECIALLY IN THE AREAS OF DEPOTS, RESEARCH AND DEVELOPMENT FACILITIES, AND TEST AND EVALUATION CENTERS. IT IS IMPERATIVE THAT WE ACHIEVE THE NECESSARY REDUCTIONS IN THIS PART OF OUR BASE STRUCTURE IN THE 1995 ROUND. WE ARE WORKING DILIGENTLY WITH THE OFFICE OF THE

SECRETARY OF DEFENSE AND THE OTHER MILITARY DEPARTMENTS TO ACHIEVE A JOINT ANALYSIS OF ALL COMMON SUPPORT CATEGORIES. IT WILL BE A DIFFICULT PROCESS BUT THE COMMON SUPPORT BASE STRUCTURE MUST BE OPTIMIZED ACROSS THE DOD. THE AIR FORCE IS DEDICATED TO THE SUCCESS OF THIS PROCESS.

REDUCTIONS IN THE ACTIVE BASE STRUCTURE CONTRAST WITH THE RESERVE COMPONENTS WHERE THE AIR NATIONAL GUARD HAS EXPERIENCED A 30 PERCENT INCREASE IN FACILITIES THROUGH SUPPORT FOR AIRCRAFT CONVERSIONS AND MODERNIZATION, A ONE PERCENT DECREASE IN PERSONNEL, AND A 25 PERCENT DECREASE IN ASSIGNED AIRCRAFT. THE AIR FORCE RESERVE HAS INCREASED FACILITIES BY 40 PERCENT, DECREASED PERSONNEL BY 2.6 PERCENT AND DECREASED ASSIGNED AIRCRAFT BY 15 PERCENT. THESE CONFLICTING STATISTICS ARE LARGELY DUE TO THE TURNOVER OF SEVERAL FORMER ACTIVE DUTY BASES AND MISSIONS TO THE RESERVE COMPONENTS WITH NO APPRECIABLE REDUCTION OF EXISTING GUARD OR RESERVE BASES. SOME OF OUR REMAINING ACTIVE BASES WILL EXPERIENCE INCREASES IN PERSONNEL AND AIRCRAFT AS WE CONSOLIDATE MISSIONS WHILE OTHERS WILL EXPERIENCE REDUCTIONS. WE WILL BE TAKING A HARD LOOK AT THE AIR RESERVE COMPONENT BASE STRUCTURE IN THE 1995 BRAC PROCESS

THE SECOND MAJOR MEANS OF REDUCING OUR FACILITY INFRASTRUCTURE IS THROUGH CONSOLIDATION OF FACILITIES ON EXISTING BASES. THE AIR FORCE HAS AN AGGRESSIVE PROGRAM TO CONSOLIDATE ITS ACTIVITIES INTO FEWER, MORE EFFICIENT FACILITIES

AND TO INACTIVATE OR DISPOSE OF EXCESS, LESS EFFICIENT FACILITIES. EACH INSTALLATION IS DEVELOPING ITS OWN CONSOLIDATION AND FACILITY INACTIVATION/DISPOSAL PLAN. SIMILAR TO BASE CLOSURES HOWEVER, ACHIEVING LONG TERM SAVINGS THROUGH CONSOLIDATION REQUIRES AN INITIAL INVESTMENT. THE DEPARTMENT IS GOING TO PURSUE A STRATEGY TO ENABLE CAPITAL INVESTMENT FOR CONSOLIDATION PROJECTS. I URGE THE SUPPORT OF THE COMMITTEE FOR THIS APPROACH.

THE THIRD COMPONENT OF OUR COMPREHENSIVE STRATEGY TO REDUCE OUR INFRASTRUCTURE TO AFFORDABLE, SUPPORTABLE LEVELS IS THE ONGOING DOWNSIZING INITIATIVE WITHIN THE INDUSTRIAL PART OF OUR SUPPORT STRUCTURE. THE AIR FORCE MATERIEL COMMAND HAS BEEN AGGRESSIVE IN REDUCING THE SIZE OF THE DEPOT MAINTENANCE INFRASTRUCTURE AS WELL AS OTHER PARTS OF ITS SUPPORT INFRASTRUCTURE AS WORKLOAD IS REDUCED. THIS INITIATIVE WILL PRODUCE A SUBSTANTIAL REDUCTION IN THE PHYSICAL PLANT AND WILL PROVIDE A CONSIDERABLE SUPPLEMENT TO OUR BASE CLOSURE AND REALIGNMENT ACTIONS.

AS I INDICATED EARLIER, OUR TASK IS NOT ONLY TO REDUCE THE SIZE OF THE OF THE FACILITY INFRASTRUCTURE, BUT QUALITY IN OUR FACILITIES MUST ALSO BE MAINTAINED. MAINTAINING QUALITY OF THE FACILITIES IN WHICH AIR FORCE PEOPLE LIVE AND WORK IS ESSENTIAL, BOTH BECAUSE IT IS OUR OBLIGATION AND IT IS A GOOD BUSINESS DECISION. THIS OBLIGATION EXTENDS FROM THE SHOPS AND OPERATIONAL FACILITIES WHERE THEY WORK, TO THE DORMITORIES

AND HOMES WE PROVIDE FOR OUR MEMBERS AND THEIR FAMILIES. PRESERVATION OF OUR EXISTING FACILITIES BY AN ADEQUATELY FUNDED REAL PROPERTY MAINTENANCE PROGRAM IN ADDITION TO MODERNIZATION THROUGH MILCON INVESTMENT IS CRITICAL TO OUR MISSION AND PRESERVING THE QUALITY OF LIFE OF OUR AIR FORCE PEOPLE.

THERE ARE TWO MAJOR PAYOFFS WHICH ACCRUE AS A RESULT OF SUCH PRUDENT REAL PROPERTY MAINTENANCE. FIRST, WE CAN REDUCE CAPITAL INVESTMENT BY EXTENDING THE LIFE OF EXISTING FACILITIES VERSUS CONSTRUCTING NEW ONES. LIKE YOUR OWN HOUSE, AIR FORCE FACILITIES DO NOT MAINTAIN THEMSELVES. THE AVERAGE AGE OF OUR NON-HOUSING FACILITY INVENTORY IS OVER 32 YEARS, AND FOR OUR FAMILY HOUSING, 31 YEARS. IF WE FAIL TO PROVIDE ADEQUATE MAINTENANCE AND REPAIR, BUILDINGS, UTILITIES AND SUPPORTING INFRASTRUCTURE WILL SIMPLY WEAR OUT, RESULTING IN THE REQUIREMENT FOR REPLACEMENT CONSTRUCTION AND, MORE IMPORTANTLY, INADEQUATE SUPPORT FOR MISSIONS AND PEOPLE. THE SECOND MAJOR PAYOFF RESULTS FROM THE QUALITY ENVIRONMENT WE PROVIDE IN THE WORKPLACE AND IN THE HOMES OF OUR PERSONNEL. ADEQUATE WORKING FACILITIES AND HOUSING WHICH MEET SOCIETAL STANDARDS AND EXPECTATIONS CONTRIBUTE MAJOR DIVIDENDS TO THE AIR FORCE THROUGH INCREASED PRODUCTIVITY AND RETENTION OF HIGHLY TRAINED PERSONNEL, THEREBY REDUCING RECRUITING AND TRAINING COSTS.

WE HAVE MAINTAINED OUR COMMITMENT TO QUALITY FACILITIES BECAUSE WE RECOGNIZE THE RESULTING BENEFITS IN READINESS, PRODUCTIVITY AND LIFE-CYCLE COST SAVINGS. A REDUCED BASING STRUCTURE WILL GENERATE THE SAME BENEFITS FOR A SMALLER FORCE AS LONG AS THE QUALITY OF FACILITIES REMAINS HIGH. FOR THIS REASON, WE ARE COMMITTED TO PRESERVING THE QUALITY OF THE FACILITIES, UTILITIES, AND OTHER SUPPORTING INFRASTRUCTURE AT THOSE BASES WE RETAIN.

MR. CHAIRMAN, WE ARE ALSO COGNIZANT THAT THE AIR FORCE COULD NOT MAINTAIN THE QUALITY OF OUR FACILITIES AND THE ADVANTAGES THEY PROVIDE WITHOUT THE INDISPENSABLE AND CONTINUING STRONG SUPPORT WE HAVE ALWAYS RECEIVED FROM THIS COMMITTEE, FOR WHICH WE ARE MOST GRATEFUL.

WITH THIS BACKGROUND, MR. CHAIRMAN, I WOULD LIKE TO PROCEED NOW TO DISCUSS THE MAJOR PROGRAM AREAS OF OUR BUDGET REQUEST. THESE MAJOR PROGRAM AREAS REPRESENT THE HIGHEST PRIORITIES OF THE DEPARTMENT OF THE AIR FORCE. I WILL REVIEW THE ACTIVE FORCE PROGRAM, MILITARY FAMILY HOUSING, AIR NATIONAL GUARD PROGRAM, AIR FORCE RESERVE PROGRAM AND THE AIR FORCE PART OF THE BUDGET REQUEST FOR THE DEFENSE BASE CLOSURE AND REALIGNMENT ACCOUNTS.

ACTIVE AIR FORCE MILITARY CONSTRUCTION PROGRAM

THE AIR FORCE BUDGET IS CONSTRAINED. WE HAVE CONCENTRATED OUR BUDGET EFFORTS FOR FISCAL YEAR 1995 ON THE DEPARTMENT OF DEFENSE PRIORITY INVESTMENT STRATEGY THAT SUPPORTS PROJECTS FOR ENVIRONMENTAL COMPLIANCE, TREATY AND INTERNATIONAL AGREEMENT COMPLIANCE, NEW MISSION BEDDOWN AND REALIGNMENTS, AND QUALITY OF LIFE. WE VIEW THIS APPROACH FOR FISCAL YEAR 1995 AS A PRUDENT MANAGEMENT STRATEGY IN THIS PERIOD OF UNCERTAINTY IN FORCE STRUCTURE LEVELS AND BASING STRUCTURE.

PROGRAM OVERVIEW

THE ACTIVE AIR FORCE MILITARY CONSTRUCTION REQUEST FOR FY 1995 TOTALS \$1.411 BILLION. WHEN THE AIR RESERVE COMPONENTS (ARC) PROGRAM OF \$151 MILLION IS ADDED, THE TOTAL DEPARTMENT OF THE AIR FORCE PROGRAM IS \$1.562 BILLION. INCLUDED IN THE FIGURE FOR THE ACTIVE FORCES IS \$357 MILLION FOR TRADITIONAL MILCON PROJECTS AND \$1.054 BILLION FOR MILITARY FAMILY HOUSING (MFH). THIS COMPARES TO A FY 1994 REQUEST OF \$1.932 BILLION, INCLUDING \$906 MILLION FOR TRADITIONAL MILCON AND \$1.027 BILLION FOR MFH. THE FY 1994 APPROPRIATION APPROVED BY CONGRESS TOTALED \$1.99 BILLION, CONSISTING OF \$1.022 BILLION FOR MILCON AND \$977.9 MILLION FOR MFH.

OUR FY 1995 MILCON REQUEST REFLECTS A 25% DECREASE FROM THE FY 1994 APPROPRIATION WHICH IS CONSISTENT WITH THE PRIORITY INVESTMENT PROGRAM OF THE DEPARTMENT OF DEFENSE.

ENVIRONMENTAL COMPLIANCE PROJECTS

THE ACTIVE AIR FORCE MILCON PROGRAM FOR MANDATORY ENVIRONMENTAL COMPLIANCE REQUIREMENTS CONTINUES TO RECEIVE STRONG EMPHASIS. WE HAVE REQUESTED FOR FY 1995 A TOTAL OF \$105.3 MILLION FOR 42 PROJECTS. OUR PROGRAM FOCUSES ON ENVIRONMENTAL PROJECTS FOR WASTEWATER AND STORMWATER COLLECTION AND TREATMENT SYSTEMS, HYDRANT REFUELING SYSTEMS, FIRE FIGHTER TRAINING FACILITIES, UNDERGROUND STORAGE TANKS AND HAZARDOUS WASTE STORAGE AND TREATMENT FACILITIES.

THESE PROJECTS WERE DEVELOPED TO SATISFY THREE SPECIFIC CATEGORIES OF REQUIREMENTS. THE FIRST CATEGORY RESPONDS TO LEVEL I REQUIREMENTS, REFERRING TO FACILITIES CURRENTLY OUT OF COMPLIANCE WITH ENVIRONMENTAL LAWS OR REGULATIONS INCLUDING THOSE WHICH ARE THE SUBJECT OF A COMPLIANCE AGREEMENT. THE SECOND CATEGORY IS LEVEL II, PROJECTS NECESSARY TO MEET A FUTURE COMPLIANCE DEADLINE, BUT WHERE FY 1996 FUNDING WOULD BE TOO LATE. THE THIRD CATEGORY CONCERNS UNDERGROUND STORAGE TANKS. WE ARE REQUESTING THE FUNDING NECESSARY TO COMPLETE COMPLIANCE REQUIREMENTS WITHIN FIVE YEARS AND BEFORE THE COMPLIANCE DEADLINE OF DECEMBER 1998 AS REQUIRED BY THE RESOURCE CONSERVATION AND RECOVERY ACT.

CRITICAL DIRECT MISSION SUPPORT PROJECTS

THE DEPARTMENT AND THE CONGRESS HAVE COMMITTED TO FORCE MODERNIZATION EVEN AS OVERALL FORCE STRUCTURE LEVELS ARE REDUCED. CONSEQUENTLY, OUR BUDGET REQUEST INCLUDES MODEST INVESTMENT IN THE MOST CRITICAL FACILITIES REQUIRED TO SUPPORT THIS ONGOING MODERNIZATION.

B-2 BOMBER FACILITIES

OUR CONSTRUCTION TO SUPPORT THE B-2 DEPLOYMENT TO WHITEMAN AIR FORCE BASE, MISSOURI, BEGAN WITH THE FY 1988 MILCON PROGRAM AND CONTINUES WITH OUR REQUEST FOR \$23.0 MILLION AT THAT BASE IN FY 1995. THIS REQUEST IS IN LINE WITH THE REVISED B-2 ACQUISITION PROGRAM AND IS BASED ON THE REDUCED CONGRESSIONAL AUTHORIZATION OF TWENTY AIRCRAFT. UNDER THIS CONCEPT, WHITEMAN AIR FORCE BASE WILL BE SOLE OPERATING LOCATION FOR THE B-2. ORIGINALLY IT WAS PLANNED TO PERFORM DEPOT MAINTENANCE AT TINKER AIR FORCE BASE, OKLAHOMA, BUT THE MAINTENANCE CONCEPT IS NOW BEING REEVALUATED AND THEREFORE, NO PROJECTS ARE BEING REQUESTED FOR FY 1995. FUTURE MILCON BUDGET REQUESTS FOR THE B-2 WILL BE ADJUSTED WHEN THE OPERATIONAL AND DEPOT MAINTENANCE CONCEPTS BASED ON AN INVENTORY OF TWENTY AIRCRAFT ARE FINALIZED.

JOINT STARS

WE ARE REQUESTING \$14.3 MILLION FOR FOUR PROJECTS AT ROBINS AIR FORCE BASE, GEORGIA TO PROVIDE THE FACILITIES NEEDED TO SUPPORT BEDDOWN OF THE JOINT STARS AIRCRAFT. ROBINS AIR FORCE BASE IS THE SINGLE MAIN OPERATING BASE FOR 19 PRIMARY ASSIGNED AIRCRAFT. PRIOR YEAR MILCON TO SUPPORT JOINT STARS AT ROBINS AIR FORCE BASE TOTALS \$54.7 MILLION. TWO FORWARD OPERATING LOCATIONS, ONE IN EUROPE AND ONE IN THE PACIFIC HAVE YET TO BE DETERMINED. THESE WILL REQUIRE MINIMAL OPERATIONS, MAINTENANCE AND SUPPORT FACILITIES.

F-22 ADVANCED TACTICAL FIGHTER

THE PROJECT AT EDWARDS AIR FORCE BASE, CALIFORNIA FOR \$4.6 MILLION IS TO ALTER AN ENGINEERING TEST FACILITY TO SUPPORT THE ENGINEERING AND MANUFACTURING DEVELOPMENT (EMD) PHASE OF THE F-22 PROGRAM. THE FIRST F-22 EMD AIRCRAFT IS SCHEDULED FOR DELIVERY IN FY 1996.

COMPOSITE WINGS

THE COMPOSITE WINGS ARE ESTABLISHED AT MT HOME AIR FORCE BASE, IDAHO; MOODY AIR FORCE BASE, GEORGIA; AND POPE AIR FORCE BASE, NORTH CAROLINA. PRIOR YEAR FUNDING AT THE THREE LOCATIONS TOTALS \$65.9 MILLION. FOR FY 1995, WE ARE REQUESTING A TOTAL OF \$17.3 MILLION FOR TWO PROJECTS AT POPE AIR FORCE BASE

AND TWO PROJECTS AT MOODY AIR FORCE BASE.

SPACE LAUNCH INFRASTRUCTURE

THE SPACE LAUNCH INFRASTRUCTURE PROGRAM IS DESIGNED TO CORRECT FACILITY DEFICIENCIES THAT HAVE ADVERSELY AFFECTED SPACE LAUNCH OPERATIONS AND THE RELIABILITY AND MAINTAINABILITY OF SPACE SYSTEMS. IN FY 1995, WE ARE REQUESTING \$6.7 MILLION FOR TWO PROJECTS WHICH COMPRISE THE THIRD PHASE OF A MULTI-YEAR REVITALIZATION PROGRAM. THE FIRST PROJECT IS A \$1.75 MILLION UPGRADE TO THE ELECTRICAL DISTRIBUTION SYSTEM AT CAPE CANAVERAL AFB, FLORIDA. THE OTHER PROJECT IS AT VANDENBERG AFB, CALIFORNIA FOR A \$5.0 MILLION UPGRADE TO THE NATURAL GAS SYSTEM.

OVERSEAS MILITARY CONSTRUCTION

WE ARE REQUESTING \$6.5 MILLION FOR THE FOLLOWING NON-EUROPEAN OVERSEAS PROJECTS: A PROJECT AT THULE AIR BASE, GREENLAND TO CONSTRUCT A \$2.45 MILLION FIRE TRAINING FACILITY AND THREE PROJECTS AT A CLASSIFIED LOCATION TO PROVIDE WAR READINESS MATERIAL MEDICAL AND OPEN STORAGE FOR \$0.65 MILLION AND \$2.1 MILLION RESPECTIVELY AND A MANAGEMENT FACILITY FOR \$1.3 MILLION. THESE PROJECTS ARE NOT A HOST NATION RESPONSIBILITY, ARE NOT NATO ELIGIBLE, AND ARE NOT AFFECTED BY ANY FORCE STRUCTURE REDUCTIONS IN EUROPE.

THE PROJECTS REQUESTED FOR EUROPE ARE LIMITED TO ONLY THOSE MOST CRITICAL REQUIREMENTS TO SUPPORT OPERATIONS AND TO MAINTAINING ADEQUATE WORKING AND LIVING CONDITIONS FOR PERSONNEL STATIONED OVERSEAS. WE HAVE STRICTLY COMPLIED WITH THE GUIDANCE BY THIS COMMITTEE AND THE CONGRESS TO REDUCE OUR OVERSEAS MILCON EXPENDITURE TO THE LOWEST POSSIBLE LEVEL, AND TO SHIFT THE FINANCIAL BURDEN OF SUPPORTING U.S. MILITARY PERSONNEL STATIONED OVERSEAS TO HOST NATIONS WHENEVER POSSIBLE. IN ADDITION, ALL OVERSEAS MILCON PROJECTS WERE RIGOROUSLY SCREENED AGAINST PLANNED FUTURE FORCE REDUCTIONS AND OTHER MISSION CHANGES.

THE \$31.8 MILLION FOR EUROPEAN PROJECTS COVER THREE PROJECTS AT RAF LAKENHEATH FOR A \$3.7 MILLION UPGRADE OF A DORMITORY, \$2.55 MILLION UPGRADE OF STORM DRAINAGE SYSTEM, AND \$0.85 MILLION FOR AN F-15 MUNITIONS MAINTENANCE FACILITY; A LEVEL I COMPLIANCE PROJECT AT LAJES FIELD, PORTUGAL FOR A \$2.85 MILLION REFUSE INCINERATOR; TWO PROJECTS AT SPANGDAHLEM AIR BASE, GERMANY FOR UPGRADES TO STORM WATER AND COLLECTION SYSTEM AT \$7.2 MILLION AND \$2.27 MILLION FOR A CHILD DEVELOPMENT CENTER; AND TWO PROJECTS AT RAMSTEIN AIR BASE, GERMANY FOR UPGRADING THE SEWAGE COLLECTION SYSTEM AT \$11.2 MILLION AND A HAZARDOUS MATERIAL STORAGE FACILITY FOR \$1.15 MILLION.

PLANNING AND DESIGN

OUR REQUEST FOR FY 1995 PLANNING & DESIGN IS \$49.4 MILLION. THESE FUNDS ARE REQUIRED TO COMPLETE DESIGN FOR THE FY 1996 CONSTRUCTION PROGRAM AND TO ACHIEVE 35% DESIGN FOR OUR FY 1997 PROJECTS.

UNSPECIFIED MINOR CONSTRUCTION (P-341 FUNDS)

WE HAVE REQUESTED \$7.0 MILLION IN FY 1995 FOR UNSPECIFIED MINOR CONSTRUCTION FUNDS (P-341), WHICH PROVIDE THE AIR FORCE WITH ITS PRIMARY MEANS OF RESPONDING TO SMALL, UNFORESEEN MILCON REQUIREMENTS -- A CRITICAL NEED IN THE DYNAMICS OF THE AIR FORCE OF TODAY. THIS REQUEST IS IN LINE WITH THE \$7 MILLION APPROPRIATED IN FY 1994 BUT LESS THAN HALF THE AVERAGE APPROPRIATION MADE DURING THE PAST FIVE YEARS. THE RAPID RATE OF CHANGE TAKING PLACE IN THE AIR FORCE IS PUTTING A STRAIN ON THIS ACCOUNT. IN FY 1993, \$8.7 MILLION WAS REPROGRAMMED INTO THE ACCOUNT TO FUND URGENT REQUIREMENTS. WE ANTICIPATE THE NEED TO REPROGRAM FUNDS IN FY 1994 TO KEEP UP WITH REQUIREMENTS. THE FY 1993 AND FY 1994 FUNDS ARE ANTICIPATED TO BE FULLY OBLIGATED BY MARCH 1994. THIS WILL ELIMINATE OUR ABILITY TO RESPOND TO EMERGENCIES DURING THE REMAINING NINE MONTHS OF FY 1994 WITHOUT SUCCESSFUL REPROGRAMMING. WE HAVE VALIDATED REQUIREMENTS TOTALING \$21 MILLION UNDER DESIGN.

MILITARY FAMILY HOUSING

DURING THIS TIME OF GREAT CHANGE AND CONSIDERABLE UNCERTAINTY FOR AIR FORCE PERSONNEL, IT IS VITAL THAT WE MAINTAIN OUR COMMITMENT TO PROVIDE QUALITY HOUSING FOR THEIR FAMILIES AND DEPENDENTS. THUS WE ARE CONTINUING TO EMPHASIZE THE "WHOLE HOUSE IMPROVEMENT PROGRAM" WHICH BRINGS OLDER UNITS UP TO TODAY'S STANDARDS. IN OUR BUDGET REQUEST, WE HAVE ONCE AGAIN REQUESTED FUNDS FOR THIS MOST IMPORTANT PROGRAM, AND WE ASK FOR YOUR CONTINUED STRONG SUPPORT. AS AN INTEGRAL PART OF THE "WHOLE HOUSE IMPROVEMENT PROGRAM", WE ARE REVALIDATING THE REQUIREMENT FOR ALL UNITS BEFORE PROCEEDING WITH EACH PHASE OF THE PROGRAM. WHEN WE FIND THAT WE HAVE TOO MANY UNITS, WE WILL NOT PROGRAM FOR WHOLE HOUSE RENOVATION NOR PERFORM MAJOR REPAIR, BUT WILL PROGRAM FOR DEMOLITION WHEN NO LONGER REQUIRED OR COST EFFECTIVE TO MAINTAIN. AS YOU ARE AWARE, IT IS DOD POLICY TO RELY ON LOCAL COMMUNITIES FIRST TO PROVIDE HOUSING FOR AIR FORCE FAMILIES AT NEARBY BASES, AND THIS POLICY IS BEING FOLLOWED WHEN PERSONNEL FROM CLOSING BASES ARE REASSIGNED TO OTHER INSTALLATIONS.

AS IN YEARS PAST, THE AIR FORCE LEADERSHIP CONSIDERS MILITARY FAMILY HOUSING TO BE ONE OF ITS MOST IMPORTANT DISCRETIONARY FACILITY PROGRAMS. WE ARE CONVINCED THAT NO OTHER FACILITY PROGRAM INFLUENCES THE PERFORMANCE AND COMMITMENT OF OUR PEOPLE AS MUCH AS HAVING A QUALITY HOME FOR THEIR FAMILIES. WE VERY MUCH APPRECIATE THE SUPPORT

CONGRESS HAS GIVEN US FOR OUR FAMILY HOUSING PROGRAM AS WE STRIVE TOGETHER TO SUSTAIN THE QUALITY OF HOMES FOR OUR PEOPLE.

MAINTAINING THE QUALITY OF OUR FAMILY HOUSING PROGRAM IS EVEN MORE IMPORTANT IN THIS NEW ERA OF MASSIVE OVERSEAS REDUCTIONS, DOMESTIC BASE CLOSURES, MAJOR FORCE REDUCTIONS AND AN ONGOING REORGANIZATION OF THE AIR FORCE. THESE UNAVOIDABLE ADJUSTMENTS TO OUR FORCES AND FACILITIES ARE A REFLECTION OF THE TIMES WE LIVE IN AND ARE NECESSARY TO DOWNSIZE OUR DEFENSE ESTABLISHMENT. BUT THESE ADJUSTMENTS, HOWEVER DESIRABLE, ALSO ARE DISRUPTIVE TO MILITARY FAMILIES, AND THEREFORE IT IS IMPERATIVE THAT WE PROVIDE THEM THE SECURITY AND QUALITY OF LIFE THEY ARE ENTITLED TO FOR THEIR FAMILY HOMES.

OUR FY 1995 BUDGET REQUEST FOR FAMILY HOUSING INCLUDES REPLACEMENT CONSTRUCTION AND IMPROVEMENTS TO OUR EXISTING HOUSING INVENTORY, AND MAINTAINS AND MANAGES THIS INVENTORY IN THE MOST EFFICIENT MANNER

HOUSING IMPROVEMENTS

A TOP PRIORITY IN THE AIR FORCE HOUSING PROGRAM IS REVITALIZATION OF OUR EXISTING HOUSING INVENTORY THROUGH OUR "WHOLE HOUSE/WHOLE NEIGHBORHOOD" IMPROVEMENT PROGRAM. THIS PROGRAM HAS BEEN EXTREMELY SUCCESSFUL. UNDER THIS CONCEPT,

WORN-OUT BATHROOMS AND KITCHENS ARE UPDATED, OBSOLETE UTILITY AND STRUCTURAL SYSTEMS ARE REPLACED, ADDITIONAL LIVING SPACE IS PROVIDED AS PERMITTED BY LAW, AND OLDER HOMES ARE UPGRADED TO CONTEMPORARY STANDARDS. AT THE SAME TIME, ALL REQUIRED MAINTENANCE AND REPAIR IS ACCOMPLISHED. THE RESULT IS A VERY COST EFFECTIVE INVESTMENT THAT EXTENDS THE LIFE OF THESE HOUSES BY AN ADDITIONAL 25 YEARS. IN ADDITION, THE "WHOLE NEIGHBORHOOD PROGRAM" WILL PROVIDE RECREATION AREAS, LANDSCAPING, PLAYGROUNDS AND UTILITY SUPPORT SYSTEMS SO THAT AIR FORCE PERSONNEL WILL HAVE ATTRACTIVE AND FUNCTIONAL LIVING AREAS.

OUR FY 1995 IMPROVEMENT REQUEST IS FOR \$71 MILLION AND INCLUDES PLANNING AND DESIGN. THIS AMOUNT WILL REVITALIZE 810 HOMES AND PROVIDE FIVE NEIGHBORHOOD IMPROVEMENTS. IT IS IMPORTANT TO EMPHASIZE THAT OUR IMPROVEMENT PROGRAM BUDGET REQUEST INCLUDES FUNDING FOR BOTH REPAIR AND ALTERATIONS. THUS THE AIR FORCE REQUEST FOR IMPROVEMENTS IS HIGHER THAN THOSE OF THE OTHER SERVICES, BUT OUR REQUEST FOR REPAIR FUNDING IS LOWER.

NEW CONSTRUCTION

WE ARE REQUESTING A TOTAL OF \$182 MILLION IN FY 1995 TO CONSTRUCT 1,289 REPLACEMENT HOUSES AT 19 CONUS AIR FORCE BASES; TWO HOUSING SUPPORT FACILITIES AT CONUS BASES; TWO NEW CONSTRUCTION PROJECTS FOR 124 UNITS AT TWO CONUS AIR FORCE

BASES; AND \$30 MILLION FOR PHASE III OF CARDINAL CREEK VILLAGE REPLACEMENT AT SCOTT AIR FORCE BASE, ILLINOIS.

THE 1,289 REPLACEMENT UNITS ARE REPLACEMENTS FOR UNSUITABLE EXISTING HOMES THAT ARE NO LONGER ECONOMICAL TO IMPROVE. THEY WILL REPLACE UNITS AT 19 DIFFERENT LOCATIONS. THE NEW MFH CONSTRUCTION IS AT POPE AIR FORCE BASE, NORTH CAROLINA AND MT HOME AIR FORCE BASE, IDAHO. POPE AIR FORCE BASE CONSTRUCTION FOR 120 UNITS WILL SUPPORT ADDITIONAL REQUIREMENTS GENERATED BY THE COMPOSITE WING BEDDOWN. THE REMAINING FOUR NEW UNITS ARE AT MT HOME AIR FORCE BASE, IDAHO WHERE IT IS NOT PRACTICAL TO IMPROVE EXISTING UNITS TO ADEQUATE SENIOR AND GENERAL OFFICER UNITS. THE EXISTING HOUSES WILL BE USED AS FIELD GRADE OFFICER UNITS.

WE ARE ALSO REQUESTING \$30 MILLION TO COMPLETE THE AIR FORCE'S SHARE OF THE CARDINAL CREEK VILLAGE REPLACEMENT AT SCOTT AIR FORCE BASE, ILLINOIS. THIS IS A JOINT PROJECT WITH ST CLAIR COUNTY, ILLINOIS TO REPLACE UNITS THAT WILL BE DEMOLISHED TO MAKE WAY FOR A JOINT USE RUNWAY.

FINALLY, WE ARE REQUESTING MODEST FUNDING TO REPLACE TWO INADEQUATE, NON-FUNCTIONAL FAMILY HOUSING MANAGEMENT OFFICES. IT IS VERY IMPORTANT TO PROVIDE AN ADEQUATE WORKPLACE WHERE AIR FORCE FAMILIES CAN BE PRODUCTIVELY ASSISTED IN THEIR HOUSING SEARCH BY OUR FAMILY HOUSING PROFESSIONALS.

OPERATIONS, UTILITIES AND MAINTENANCE

OUR FY 1995 REQUEST FOR FAMILY HOUSING OPERATIONS, UTILITIES AND MAINTENANCE IS \$689.0 MILLION. THESE FUNDS ARE NECESSARY TO OPERATE, MAINTAIN AND REPAIR THE NEARLY 119,000 HOMES IN THE AIR FORCE INVENTORY -- REPRESENTING A REPLACEMENT VALUE OF \$17 BILLION. APPROXIMATELY 80% OF THIS O&M FUNDING REPRESENTS OUR OBLIGATION AS HOMEOWNERS FOR ITEMS SUCH AS UTILITIES, REFUSE COLLECTION AND SALARIES. THE REMAINING 20% IS APPLIED TOWARD THE MAJOR CONTRACTS SUCH AS ELECTRICAL DISTRIBUTION, STREET REPAIRS, AND ROOF REPAIRS THAT FIX THE DETERIORATING INFRASTRUCTURE. WE CURRENTLY HAVE A \$922 MILLION BACKLOG OF REPAIR REQUIREMENTS. WHILE OUR WHOLE HOUSE REVITALIZATION PROGRAM WILL REDUCE A SMALL PART OF THIS BACKLOG, A VIGOROUS MAINTENANCE AND REPAIR PROGRAM IS NECESSARY TO PRESERVE THESE UNITS AND MINIMIZE OPERATING COSTS UNTIL THEY CAN BE REVITALIZED.

LEASING

WE HAVE REQUESTED \$112.8 MILLION FOR THE COST OF LEASING BOTH DOMESTIC AND OVERSEAS HOUSING UNITS. WE HAVE TWO OVERSEAS LEASES THAT WERE INCREASED IN FY 94. AT AVIANO AIR BASE, ITALY, WE HAVE AN INCREASED REQUIREMENT TO SUPPORT A MISSION REALIGNMENT. AT INCIRLIK AIR BASE, TURKEY, THE ADDED LEASE UNITS WILL PROVIDE SAFER HOUSING FOR OUR ASSIGNED PERSONNEL. OUR REQUEST FOR A \$20.2 MILLION APPROPRIATION IN FY 94

TO BUY OUT THE BUILD-LEASE PROJECT, WHILE SAVING \$8 MILLION, AT COMISO AIR BASE, ITALY, WAS DENIED BY CONGRESS. ALTHOUGH OUR FY 95 REQUEST DOES NOT INCLUDE THE \$7 MILLION REQUIRED FOR THE ANNUAL LEASE PAYMENT. WE WILL HAVE TO FIND A WAY TO MAKE THIS PAYMENT THROUGH ECONOMIES IN THE FY 95 LEASE PROGRAM. IT STILL MAKES GOOD BUSINESS SENSE TO BUY OUT THE LEASE AND WE WILL MAKE EVERY EFFORT TO FIND A WAY TO DO THIS WITHIN OUR BUDGETED RESOURCES. IF SUCCESSFUL, THIS BUYOUT IN FY 95 WOULD ACHIEVE A SAVINGS OF \$6 MILLION.

OUR FY 1993 FAMILY HOUSING REQUEST REFLECTS OUR COMMITMENT TO SUSTAIN QUALITY HOMES FOR OUR PEOPLE. TOO MANY AIR FORCE FAMILIES STILL LIVE IN UNSUITABLE HOUSING. WE REQUEST THE SUPPORT OF THE COMMITTEE IN APPROVING THE FULL REQUEST FOR OUR MILITARY FAMILY HOUSING PROGRAM.

MILITARY CONSTRUCTION FOR THE AIR NATIONAL GUARD

OVERVIEW

THE AIR NATIONAL GUARD MILCON REQUEST FOR FY 1995 TOTALS \$122.8 MILLION, INCLUDING \$107.3 MILLION FOR MILITARY CONSTRUCTION, \$11.5 MILLION FOR PLANNING AND DESIGN, AND \$4.0 MILLION FOR UNSPECIFIED MINOR CONSTRUCTION. THIS WILL SUPPORT THE READINESS OF AIR GUARD UNITS, CONTINUE THE MODERNIZATION EFFORT OF OUR AIRCRAFT INVENTORY, AND ENSURE COMPLIANCE WITH ENVIRONMENTAL LAWS AND REGULATIONS, AT 38 LOCATIONS ACROSS

THE UNITED STATES AND TERRITORIES. CONSISTENT WITH THE PRIORITY INVESTMENT STRATEGY, THE PROGRAM, WHICH IS FIFTY PERCENT BELOW WHAT WAS APPROPRIATED FOR FISCAL YEAR 1994, ADDRESSES ONLY OUR MOST URGENT NEEDS.

NEW MISSION

NEW MISSION REQUIREMENTS ACCOUNT FOR \$62 MILLION TO SUPPORT CONVERSION AT SIX LOCATIONS. THE MAJORITY OF THE BUDGET REQUEST SUPPORTS THE B-1 AND KC-135 CONVERSIONS.

UNSPECIFIED MINOR CONSTRUCTION

AS IN THE ACTIVE AIR FORCE, MISSION AND FORCE STRUCTURE CHANGES OFTEN REQUIRE THE FLEXIBILITY ALLOWED BY THE UNSPECIFIED MINOR CONSTRUCTION AUTHORITY. FOR THE AIR NATIONAL GUARD, \$4.0 MILLION IS REQUESTED FOR UNSPECIFIED MINOR CONSTRUCTION. THE RAPID RATE OF CHANGE TAKING PLACE, AND THE REQUIREMENTS FOR TEMPORARY ARRANGEMENTS DURING AIRCRAFT CONVERSIONS REQUIRE THIS AUTHORITY TO MAINTAIN MISSION CAPABILITY IN AN EXIGENT, AFFORDABLE MANNER.

PLANNING AND DESIGN

THE AIR NATIONAL GUARD REQUEST INCLUDES \$11.5 MILLION IN PLANNING AND DESIGN FUNDS WHICH IS BASED ON CONTINUING DESIGN OF THE FISCAL YEAR 1996 AND 1997 MILCON PROGRAMS.

ENVIRONMENTAL COMPLIANCE

ENVIRONMENTAL COMPLIANCE WILL REQUIRE \$47.7 MILLION FOR 45 PROJECTS AT 38 LOCATIONS. THE MAJORITY, 24, OF THESE PROJECTS ARE FOR THE REMOVAL/REPLACEMENT OF UNDERGROUND STORAGE TANKS AS REQUIRED BY THE RESOURCE CONSERVATION AND RECOVERY ACT. FIVE OF THE PROJECTS ARE TO BRING FUEL CELL MAINTENANCE DOCKS INTO COMPLIANCE WITH ENVIRONMENTAL REGULATIONS. THE 16 REMAINING PROJECTS COVER A VARIETY OF AREAS, SUCH AS PROVIDING A DEICING APRON, REGIONAL FIRE TRAINING PITS AND HOLDING PONDS AND DRAINAGE STRUCTURES THAT WILL COMPLY WITH CLEAN AIR AND CLEAN WATER ACT REQUIREMENTS.

CURRENT MISSION

DUE TO THE PRIORITY INVESTMENT STRATEGY OF THE DEPARTMENT, THERE ARE NO CURRENT MISSION PROJECTS IN THE BUDGET REQUEST FOR THE AIR NATIONAL GUARD.

MILITARY CONSTRUCTION FOR THE AIR FORCE RESERVE

OVERVIEW

THE AIR FORCE RESERVE FISCAL YEAR 1995 MILCON BUDGET REQUEST IS \$28.19 MILLION. IT INCLUDES \$21.0 MILLION FOR PROJECTS IN 7 STATES, \$4.018 MILLION FOR UNSPECIFIED MINOR CONSTRUCTION, AND \$3.172 MILLION FOR PLANNING AND DESIGN. THIS INVESTMENT LEVEL

REPRESENTS 38 PERCENT OF THE FISCAL YEAR 1994 APPROPRIATION FOR THE AIR FORCE RESERVE. THE LARGEST DIFFERENCE IN THE AIR FORCE RESERVE BUDGET REQUEST FROM LAST YEAR IS IN CURRENT MISSION MILCON WHICH PROVIDES TRAINING AND WORKING FACILITIES AND ALSO UPGRADES BASE INFRASTRUCTURE. CONSISTENT WITH THE PRIORITY INVESTMENT PROGRAM, THE AIR FORCE RESERVE FISCAL YEAR 1995 CURRENT MISSION MILCON IS 17 PERCENT OF THE FISCAL YEAR 1994 APPROPRIATION FOR CURRENT MISSION. IN ADDITION, THE RESERVE NEW MISSION REQUIREMENTS DECREASED TO 37 PERCENT OF THE PREVIOUS YEAR. HOWEVER, THE INVESTMENT IN ENVIRONMENTAL COMPLIANCE WAS INCREASED 270 PERCENT. THIS YEAR'S REQUEST IS CONSISTENT WITH OUR LONG RANGE FACILITY INVESTMENT STRATEGY TO: BEDDOWN NEW MISSIONS AND REALIGNMENTS; COMPLY WITH ENVIRONMENTAL LAWS AND REGULATIONS; PROVIDE ADEQUATE OPERATIONAL AND TRAINING FACILITIES; AND PROVIDE EFFICIENT, RELIABLE INFRASTRUCTURE.

NEW MISSION

OUR TOP PRIORITY FOR FISCAL YEAR 1995 PROVIDES FOR THE ALTERATION OF EXISTING BASE FACILITIES TO SUPPORT THE INVENTORY CONVERSION OF AIR FORCE RESERVE A-10 AIRCRAFT TO B-52 AIRCRAFT. THIS CONVERSION PROVIDES THE FIRST BOMBERS TO THE AIR FORCE RESERVE FLYING INVENTORY.

ENVIRONMENTAL COMPLIANCE

THE NEXT RESERVE FACILITY PRIORITY IS ENVIRONMENTAL COMPLIANCE. LAST YEAR WE COMPLETED OUR ENVIRONMENTAL COMPLIANCE AND MANAGEMENT PLANS TO IDENTIFY ALL AIR FORCE RESERVE ENVIRONMENTAL COMPLIANCE REQUIREMENTS. THIS YEAR WE MAKE A SIGNIFICANT EFFORT TO COMPLETE THAT WORK. THE FISCAL YEAR 1995 BUDGET REQUEST WILL PROVIDE ENVIRONMENTALLY SAFE FIRE FIGHTER TRAINING FACILITIES, REPLACE UNDERGROUND FUEL STORAGE TANKS, PROVIDE FOR SAFE HAZARDOUS WASTE CONTAINMENT, PROVIDE TREATMENT OF BASE SEWAGE EFFLUENT PRIOR TO FINAL COUNTY INDUSTRIAL WASTEWATER TREATMENT, AND COMPLETE ALL ENVIRONMENTAL COMPLIANCE WORK AT A NEW AIR FORCE RESERVE BASE.

CURRENT MISSION

THE CURRENT MISSION REQUIREMENTS IN OUR FISCAL YEAR 1995 PROGRAM ARE VERY IMPORTANT TO MISSION READINESS. SINCE A SIGNIFICANT PORTION OF THE AIR FORCE RESERVE FORCE IS PART TIME, TRAINING ON WEEKENDS AND TWO WEEK PERIODS THROUGHOUT THE YEAR, READINESS OF OUR FORCE RELIES HEAVILY UPON OUR TRAINING CAPABILITIES. THEREFORE, ADEQUATE TRAINING AND WORKING CONDITIONS ARE CRITICAL FOR THE AIR FORCE RESERVE. DUE TO THE FISCAL YEAR 1995 PRIORITY INVESTMENT PROGRAM, ALL RESERVE TRAINING AND WORKING CONDITION PROJECTS HAVE BEEN DELAYED. HOWEVER, OUR PRIORITY ON EFFICIENT, RELIABLE INFRASTRUCTURE TO

REDUCE OPERATIONS AND MAINTENANCE COSTS REMAINS INTACT. OUR FISCAL YEAR 1995 REQUEST PROVIDES FOR THE REPLACEMENT OF A WORN TAXIWAY AND THE REPLACEMENT OF AN ELECTRICAL SUBSTATION.

UNSPECIFIED MINOR CONSTRUCTION

THE AIR FORCE RESERVE REQUEST FOR UNSPECIFIED MINOR CONSTRUCTION IS \$4.018 MILLION IN FISCAL YEAR 1995. AS IN THE CASE OF THE ACTIVE AIR FORCE AND THE AIR NATIONAL GUARD, THIS APPROPRIATION PROVIDES THE RESERVE WITH ITS PRIMARY MEANS OF RESPONDING TO SMALL UNFORESEEN MILCON REQUIREMENTS. THE RAPID RATE OF CHANGE IN THE AIR FORCE AND THE RAPID RATE OF AIRCRAFT CONVERSIONS PLACES EXTRAORDINARY DEMANDS ON THIS ACCOUNT. TO RESPOND TO THIS CHANGE, WE NEED THE STRONG SUPPORT OF THIS COMMITTEE FOR THIS REQUEST.

PLANNING AND DESIGN

OUR PLANNING AND DESIGN REQUEST FOR FISCAL YEAR 1995 IS \$3.172 MILLION. THESE FUNDS ARE REQUIRED TO COMPLETE DESIGN FOR THE FISCAL YEAR 1996 P-341 AND MILCON PROGRAMS; ACHIEVE 65 PERCENT DESIGN FOR OUR FISCAL YEAR 1997 PROGRAM; ACHIEVE 35 PERCENT DESIGN FOR OUR FISCAL YEAR 1998 PROGRAM; AND FULLY DESIGN ALL LATE TO NEED NEW MISSION MILCON PROJECTS. AS WITH THE ACTIVE FORCE, THE REQUIREMENT WAS CALCULATED USING THE OSD PLANNING AND DESIGN COST TARGET OF NINE PERCENT.

BASE CLOSURE ACCOUNTS

OUR FY 95 FUNDING REQUESTS FOR THE BASE CLOSURE ACCOUNTS ARE DESIGNED TO SUPPORT THE PRESIDENT'S FIVE PART PROGRAM BY CONTINUING TO CLOSE BASES AS QUICKLY AND EFFICIENTLY AS POSSIBLE WHILE MAKING PROPERTIES AVAILABLE TO COMMUNITIES FOR ECONOMIC REINVESTMENT AT THE EARLIEST OPPORTUNITY. OUR REQUEST ALSO REFLECTS A COMPLETE BOTTOM-UP REVIEW OF ALL REMAINING REQUIREMENTS FOR THE 1988 AND 1991 COMMISSION BASES AS WELL AS THOSE FOR THE 1993 COMMISSION BASES. AS A RESULT OF THIS REVIEW PROCESS, WE DETERMINED THAT SUFFICIENT UNOBLIGATED BALANCES WERE AVAILABLE TO FUND OUR FY 95 BRAC 88 AND BRAC 91 REQUIREMENTS AND PART OF OUR BRAC 93 REQUIREMENTS. WE THEREFORE DID NOT ASK FOR ADDITIONAL FUNDS TO BE AUTHORIZED AND APPROPRIATED IN FY 95 FOR BRAC 88 OR BRAC 91 BASES. FOR THE SAME REASON, AVAILABILITY OF UNOBLIGATED FUNDS, WE LIMITED OUR REQUEST FOR BRAC 93 BASES TO \$107.4 MILLION WHICH REPRESENTS THE ENVIRONMENTAL RESTORATION REQUIREMENT THAT WOULD HAVE BEEN FUNDED FOR THESE BASES THROUGH THE DEFENSE ENVIRONMENTAL RESTORATION ACCOUNT. THE AIR FORCE LEADERSHIP DELIBERATELY CHOSE TO MINIMIZE ITS FUNDING REQUEST IN FY 95 BECAUSE THE AVAILABILITY OF UNOBLIGATED FUNDS AND THE STATUTORY FLEXIBILITY IN THE PART II ACCOUNT WOULD HAVE ENABLED THESE FUNDS TO BE USED TO MEET REQUIREMENTS AS THEY OCCUR IN ORDER OF PRIORITY.

THE DEPARTMENT HAS BEEN AND CONTINUES TO BE COMMITTED TO TIMELY, THOROUGH ENVIRONMENTAL RESTORATION AND A SMOOTH TRANSITION OF THE BASES TO CIVILIAN USES AS SOON AS POSSIBLE, CONSISTENT WITH THE PRESIDENT'S FIVE PART PROGRAM. WE NEED THE ASSISTANCE OF THIS COMMITTEE IN ORDER TO CONTINUE TO FULLY SUPPORT THESE OBJECTIVES.

CONCLUSION

IN CONCLUSION, MR. CHAIRMAN, I WANT TO THANK THE COMMITTEE FOR ITS STRONG PAST SUPPORT OF THE TOTAL AIR FORCE MILITARY CONSTRUCTION PROGRAM AND THE BENEFITS THIS HAS PROVIDED TO THE AIR FORCE IN READINESS, RETENTION, RECRUITING, REDUCED TRAINING COSTS AND QUALITY PERFORMANCE OF OUR PERSONNEL.

I OPENED BY INDICATING THAT MY GREATEST CHALLENGE AS DEPUTY ASSISTANT SECRETARY OF THE AIR FORCE (INSTALLATIONS) IS TO REDUCE OUR FACILITY AND BASING INFRASTRUCTURE TO AN AFFORDABLE SIZE CONSISTENT WITH FORCE STRUCTURE LEVELS AND PLANNED MISSIONS. IT MUST BE ACCOMPLISHED WITHOUT COMPROMISING QUALITY. I'VE DISCUSSED THE IMPORTANCE OF MAINTAINING QUALITY AND THE OBLIGATION WE HAVE TO THE MEN AND WOMEN WHO SERVE OUR COUNTRY AS AIR FORCE MEMBERS. THE OBLIGATION TO PROVIDE THEM A WORKING AND LIVING ENVIRONMENT

THAT MEETS EXPECTATIONS AND SOCIETAL NORMS EXTENDS TO THEIR FAMILIES AS WELL.

IT WILL BE DIFFICULT TO MEET THE SOMETIMES COMPETING OBJECTIVES OF REDUCING THE SIZE OF THE PLANT TO AN AFFORDABLE LEVEL WHILE STILL MAINTAINING QUALITY FACILITIES AND, ALSO, REDUCING LONG TERM FACILITY COSTS BY MAKING THE NECESSARY CAPITAL INVESTMENT UP FRONT. I LOOK FORWARD TO WORKING WITH THIS COMMITTEE IN THE REMAINING MONTHS OF MY GOVERNMENT SERVICE ON THESE GOALS.

THANK YOU, MR. CHAIRMAN, AND MEMBERS OF THE COMMITTEE. MY COLLEAGUES AND I WILL BE MOST HAPPY TO ANSWER ANY QUESTIONS YOU MAY HAVE.

Mr. HEFNER. Thank you, Mr. Boatright. It certainly has been a pleasant tenure; you coming before this committee. We have enjoyed it and I feel sure that the staff, which I think is one of the best staffs in any committee here, have worked very, very hard.

As you well know, we have worked with very little money. And I think we have been very prudent with it and you have certainly been cooperative when we call on you and it is good to have you back. And we are sorry to see you leave. I don't know when you are going to be leaving, but I don't know if its a matter of days.

Mr. BOATRIGHT. No, sir, I am going to leave on the 3rd of February next year and I am not as dumb as I might appear to be.

Mr. HEFNER. I hope none of us are.

Mr. BOATRIGHT. I agreed that I would stay and develop the recommendations for the Air Force, but I informed the Secretary that I would be unwilling to stay to defend them.

BASE CLOSURE

Mr. HEFNER. You state in your statement, "relying exclusively on base closure as the solution to the problem of reducing our physical plant size is not wise and eliminates too much flexibility in the future." Also, "closures are very painful to the communities and are very expensive to implement," and this is the end of the quote. You make a very good point.

You think that you have to get immediate return on billions of dollars when you close a base. And you don't get these savings overnight. I am one for closing bases to bring it in line with our force structure, but, you know, it is going to be the year 2000 before we see any great pay back on these things and it is very expensive to implement.

About one-third of the military construction bill is for realignment and closure. And to date we have appropriated \$6.5 billion for base closure. I think you are on the right track when you say we need a more comprehensive approach to reduce our facility infrastructure by combining base closures with other streamlining initiatives at existing bases. If we could do that probably fewer bases would need to be closed. Would you like to expand on that?

Mr. BOATRIGHT. Yes, sir. I appreciate the opportunity to do so. We believe that every base that we can save provides us some additional flexibility for the future. We know that the bottom line is that we have to get our structure down to an affordable level and we agree with that.

We have absolutely no argument with the direction that has been given to the military departments in that regard. But it appears to us that the prudent course of action for us to take is to look at this in a more comprehensive way and to look at ways to consolidate facilities on bases that we are going to retain, to downsize—that is to eliminate buildings and other structures that we no longer require to take care of the mission so that we no longer have to maintain and operate those facilities. And if we can bring the size of the physical plant down in that regard, for every equivalent base that we can achieve through that process, we can save a base for future flexibility.

As you know, along with a base, an Air Force base, an operational base, we not only have the land that constitutes that base,

but we have the airspace that is over the top of the base and around the base. We also have the military operating areas that are associated with that base. We have a range structure that is associated with the base.

And those things, once you give them up, you can never get them back. And while we may be able to get the real estate back, we won't be able to get the airspace and the training capability we would need; we give it up forever. And nobody has a clear enough crystal ball to say what the Air Force, 20 years from now, is going to look like. And so to retain some additional bases through this process, we believe, is a very important part of our strategy.

I would like to comment a little bit on the cost and the savings associated with base closures.

I personally believe that the Air Force Base Closure Program is a very cost-effective program today through the 1993 round of closures. If we look at the cost to do that, without the environmental costs, but just the cost to do the closures, assuming that we can agree that the environmental costs are things that the department is going to have to pay for over a period of time anyway, the Air Force is spending about \$2.6 billion to do all of the closures, about 27 bases, including several realignments in there. And we will get a total savings over a six-year period—that is associated with each one of these closure rounds—over that 6-year period we will get a total savings of \$5.5 billion, for a net savings during that period of time of \$2.9 billion. In my belief, that is a very cost-effective decision process.

Mr. HEFNER. Is that a net savings?

Mr. BOATRIGHT. Yes, sir.

Mr. HEFNER. That is not taking into consideration that some of the people have moved to other places. Is that the net savings?

Mr. BOATRIGHT. That is the net savings, yes, sir. Now if we include environmental clean up costs in the cost of closings, and it is important to note that most of the costs are already planned for funding in the Defense Environmental Restoration Account, then we would have a cost of about \$4.3 billion.

We would save the same \$5.5 billion, and it would put our net down to about \$1.1 billion, still cost-effective, throwing in all of the environmental costs. So it is my belief that our program to date has been very sound from a financial standpoint.

I would tell you that the 1995, round the closures in that round, in my opinion, will be much more difficult to achieve and will be much more costly on the average. To be candid with you, we have taken the most cost-effective closures in the first three rounds of closures and so now we will be looking at bases that will be more costly to close.

Mr. HEFNER. Why is that?

Mr. BOATRIGHT. Basically, we have taken a lot of bases that were associated with force structure that was coming down so you didn't have to relocate it somewhere else. We took many of our smaller bases where the predominant activity on that base was a single mission.

We have got a lot of bases that have multiple missions, many of which will not go away. While some of the force structure will leave, much of it will not go away, so you have a lot of activities

that will have to move to other locations and, as you know, there is considerable construction cost associated with those kinds of moves and oftentimes additional family housing requirements are associated with those moves.

Mr. HEFNER. So the ones that you did in the first round were ones that were very low priority that you could just take out. You didn't have to worry about moving to Pope Air Force Base or any place else. You just eliminated them for all practical purposes.

Mr. BOATRIGHT. Yes, sir, there were a lot of things that we could eliminate in those rounds and kept the costs down considerably.

Mr. HEFNER. So the ones that will be called in the next round, some of the functions will be tied to our overall strategy or planning in the future so we will have to be moving to some other existing base and that is going to cost MILCON money. And so the savings in the next round—even though it will be, as you say, cost-effective, we won't get the tremendous savings that we got in the first?

Mr. BOATRIGHT. I don't think we will get them as rapidly. I think on the average you will find that the Air Force closures pay back in 2 or 2½ years from the actual closure date. My guess is that the next round, the average will probably go up to 3½ and maybe toward 4 years.

One of the things that the Air Force has to do in the next round of closures, which will be a very costly part of the process is close down some of our support structure. We have been very successful in the Air Force in bringing down our operational base structure consistent with the force structure drawdown, but we have not been as successful in bringing down the depots, the test evaluation centers, the acquisition centers and support structure that the Air Force has. These assets were tailored and sized to support the operations of a longer Air Force. We simply have to get that part of our base structure down to an affordable size. That will be much more expensive to do than closing down operational bases, in my opinion.

Mr. HEFNER. Mrs. Vucanovich?

EUROPE

Mrs. VUCANOVICH. Thank you, Mr. Chairman. Mr. Boatright, you mentioned in your statement that your greatest challenge is to downsize the Air Force's infrastructure to an affordable size without compromising quality. And last year General Shali stressed the needs to maintain the facilities we are keeping in Europe.

Does this budget request adequately address those challenges and concerns?

Mr. BOATRIGHT. In regard to Europe?

Mrs. VUCANOVICH. Europe, yes.

Mr. BOATRIGHT. I think that the Air Force has tried to—and I know that the Department of Defense has. We have tried to follow the guidelines that we are getting from the Congress with regard to overseas investment. We came over with several programs over the last several years with more overseas construction than the Congress would accept. And so we have taken that guidance and we have reduced our overseas construction to what I would call the

absolute minimum consistent with what we believe we are being told by the Congress.

I think we are taking care of those most urgent needs that we have. I do think over time now, as that base structure, especially in Europe, stabilizes that we are going to have to get back to a more level playing field investment program in order to keep those facilities to the correct standards. If we don't, I think that we are going to have a lot of very costly maintenance and our people that we are assigning at these overseas locations are not going to be able to enjoy the same quality of workplace and living and recreational places as they have in the United States.

And I would ask Jim McCarthy to expand on that.

General MCCARTHY. I agree with what Mr. Boatright said. The budget for 1995 was very small for overseas, \$38 million. A lot of environmental projects, a few housing projects and one child development center, but it was very small.

Mrs. VUCANOVICH. Was the emphasis on housing and child development centers, quality of life?

General MCCARTHY. Housing, one child development center, and five environmental projects, and one operational project, many of which are cost shared with the host country.

JOINT EFFORT OF AIR FORCE AND THE FAA AT NELLIS AFB

Mrs. VUCANOVICH. They are? That is interesting. You know, that is one of the things that I think you need to look at. And along that same line, I am aware that the existing fire training pit at Nellis in my district doesn't meet current environmental standards and apparently McCarran Airport in Las Vegas has money for the same purpose, but has no place to put this facility.

I have heard that McCarran would like to join up with the Air Force in some kind of a combined effort. Do you know whether the Air Force has taken a stand on this and whether they have been in communication with the FAA on this fire training pit?

Mr. BOATRIGHT. I don't know, but we would be pleased to take that for the record and we will provide an answer.

[The information follows:]

Construction of new AF fire training facility for Nellis AFB was appropriated in the FY 93 MILCON at \$780 thousand. The project will provide the required proficiency training for AF firefighters and meet state and federal environmental standards. The design is 100% complete by the COE, but contracting is on hold pending the outcome of a possible joint venture with the McCarran Airport authorities. Representatives from the base, the airport, and FAA have had informal meetings, but the Clark County Department of Aviation has not formally requested approval to construct their training facility on Nellis AFB property. If a joint training facility materializes, the County and the Air Force will develop an operating agreement to address access, maintenance, liability and other issues, and simultaneously initiate an out grant agreement for SAF/MII approval. Prior to 1992, the Clark County Aviation Department used the Nellis AFB Fire Training Area to train their personnel on aircraft fire suppression and rescue procedures. This was considered mutually advantageous because McCarran Airport serves as a backup for military emergencies. When the Clean Water Act forced the closure of the Nellis facility, both the AF and the County independently pursued construction of separate fire training areas. While the base acquired the MILCON, the County obtained \$2.5 million FAA grant from taxes on airport users. However, runway extensions at McCarran Airport eliminated potential sites for construction. Therefore, the Clark County Department of Aviation approached Nellis AFB about a joint facility early in 1994. Base management is receptive to their proposal because it would allow the Air Force and the

Clark County Department of Aviation to share utility, road, and site development costs at a joint facility.

Mrs. VUCANOVICH. I think we need to be looking at ways that we can consolidate.

General MCCARTHY. Both fire departments could use the same training area.

Mr. BOATRIGHT. Certainly, from a policy standpoint we would embrace that kind of jointness.

Mrs. VUCANOVICH. They have done that with the medical facility.

Mr. BOATRIGHT. Yes, ma'am, and very successfully.

Mrs. VUCANOVICH. Yes, as you know Nellis Air Force Base is in my district and there are lots of problems that need to be addressed to maintain its mission, and normally some of the smaller projects can be fixed with the O&M funds. And I don't know whether—maybe you can tell me—whether the Air Force is receiving an adequate share of the operation and maintenance of the facilities to properly maintain its facilities?

Mr. BOATRIGHT. Well, the last couple of years it has been very tight and we have really had to eliminate some of the work that we had planned at our bases because of the level of funding. We are uncomfortable with this budget level but that is all we can afford at this point in time.

That is part of the reason why I have said that our most important challenge is to get the size of the plant down to an affordable size, because if we don't, we will begin to neglect facilities and facilities will deteriorate to a poor state of repair, and the quality level of the overall activities and operations that we have on the Air Force bases will suffer. And certainly the quality of life for our people will suffer. And we simply cannot accept that in this volunteer force that we have. It is the best force that this country has ever had and we simply will not allow those facilities to go down. And so we will get it down to the right size.

I can tell you for sure that the Air Force will find a way to get the plant down to an affordable size because we will not give up on quality.

Mrs. VUCANOVICH. I appreciate that. I have several other questions—

Mr. HEFNER. Will the gentlelady yield?

Mrs. VUCANOVICH. Yes, Mr. Chairman.

DEMOLITION

Mr. HEFNER. While we are on that subject of demolishing these buildings, is the O&M money too scarce and too precious to use for demolishing these?

Mr. BOATRIGHT. It is my belief that our O&M money is very tight and it really puts a very difficult burden on a base commander when he has a number of old facilities sitting there which really should be torn down and gotten off of the books, but he has other things that he needs to do with that O&M money. We have a very substantial—

Mr. HEFNER. Where should that money come from? Out of MILCON?

Mr. BOATRIGHT. Let me ask General McCarthy. He has an idea how this should work.

General MCCARTHY. This year we would tear down 1,131 buildings. That is equivalent of two Air Force bases that could be torn down now. The current way for doing that is for the current commander to use the O&M. It is a trade-off of paying the civilian salaries, the electric bill, and building demolition doesn't compete well.

Mr. BOATRIGHT. It will probably take 10 or 15 years to do that workload.

General MCCARTHY. And tearing them down pays back in about three years. It costs a little to tear them down because there is asbestos and lead-based paint. But to finance this we have been trying to discover ways and we have an initiative that we will probably bring to the Congress and that would allow us to use prior year MILCON money that was extra money, not used, and reprogram it to tear down buildings. That would allow us to get rid of these buildings sooner and not penalize the O&M account.

And our proposal would be we would bring the buildings over by building number, if necessary, by base, for examination by the subcommittee, and if we could have that authority to use unexpired MILCON monies from prior years. It seems like a good idea to take pressure off of the operating account.

Mr. HEFNER. Mrs. Meek.

Mrs. MEEK. I, too, have questions from my colleague, Julian Dixon from California, that I would like to submit for the record.

Mr. HEFNER. Without objection.

HOMESTEAD AIR FORCE BASE

Mrs. MEEK. I am pleased to see the leaders of the Air Force here. And welcome back, Mr. Boatright. I understand that you will be here another year and I am happy so that we can have some continuity in terms of the concerns that we have.

Last weekend I was able to fly down to Homestead Air Force Base with Secretary Sheila Widnall. I have never been more impressed with anyone than I was with the Secretary. Not only because of her gender, but because of the fact that she understands the Air Force and she is very complimentary of the work that you have done.

I was on the plane so I got in my good two cents while I was with her. I appreciated her common sense, her awareness of what is going on in the Air Force, and I am happy about that. And I would like to welcome General Weaver, who is with us this morning. I am glad that he is here.

When you came before us last April, Hurricane Andrew had wiped out the air base that is in my district, Homestead, and the Air Force BRAC had recommended that Homestead be closed as a military base. But as you know, the BRAC decided that Homestead had much greater value than that and the 482nd fighter wing and the 301st Air rescue squadron would be based at the Homestead base.

And I tell you, Mr. Boatright, and all of you in the Air Force, that you would have been very proud had you been there to hear the presentation made by the proud Air Force personnel which you have there. They did a very credible job, and I would certainly like

to commend them to you this morning. They did an outstanding job.

Homestead Air Force Base is my major concern, as you know, but it is now being called by Mr. Perry a "model base," showing other bases around the country what can be done with realignment and conversion. Homestead is getting the attention of other bases that have been closed and it should be used as a model, because of the way it has brought together the civilian sector as well as the military. And Homestead has come up with some very good plans. I have a few questions about that.

Homestead has recovered from Hurricane Andrew in a slow manner. It has moved forward very well, but it has moved not in the timely manner that I would like to see it moving, Mr. Boatright. I am concerned about some of the facilities that are necessary for the return of the Air Force Reserves and the Florida Air National Guard. And, of course, those are the two units that you recommended to be there.

When I visited the base last weekend, I saw that the squadron headquarters building for the 482nd fighter wing is ready for the return of the 482nd, but there have been some delays in the hangars that they need there to support the unit. And the building number 194 hangar and the building number 200 hanger, these hangars are to be used for maintenance, but the back shops and the offices of the hangars are not ready.

Naturally, this is going to create some strain on the unit. So I did a lot of snooping around while I was there. I would like to know from you would you please look into this matter and take some quick steps to speed up the work of the Corps? The Corps is good, but they are slow as syrup. What steps can you take to kind of expedite this matter?

MR. BOATRIGHT. Let me say I agree with you certainly on the fact that the Corps is slow.

We have looked into this. I have looked into this already to some degree, and as you have asked, I will look into it some more and see if there is anything we can do to accelerate it. As I see it now, the back shops will likely still be late by two or three weeks. We believe, however, that if the Reserve unit can work around that relatively short delay, we think that everything else that is absolutely essential for the 482nd to move back into Homestead will be completed on time. That is the assurance that we are getting from the Corps of Engineers construction agent there. But I will take another look at it. And we will be doubly sure that we are doing everything possible to accelerate that construction so that we can get the unit back on schedule.

We have every expectation that that unit will be down there operating as of 1 April and the Air Force Reserve, I will give them an opportunity to comment on this in a minute, but I think that they will agree with us on that.

[The information follows:]

HANGER CONSTRUCTION DELAY AT HOMESTEAD

Of all the work that had to be done by April 1, 1994 to support the 482nd Fighter Wing's return to Homestead AFB, only the restrooms in the backshops to Hangar 200 will be incomplete. We will work closely with the Corps to ensure the restrooms are completed no later than May 1, 1994.

Mr. BOATRIGHT. We have a very large construction program underway there. And it is stretched out over a couple of year's time to get it done. The rescue unit which is located temporarily at Patrick, we do not plan to move back there until October of 1996. And at that time we would have most all of the construction completed that would be required for all of the 482nd and the 301st requirements and so at that time we would have both of those Reserve units up and running at Homestead Air Force Base in accordance with the decision of the Base Closure Commission, which now has all of the force of law. And it is our full intent to do all of these things in the most timely manner as we can and to get both of those units bedded down on schedule.

Mrs. MEEK. I am very happy to hear that, Mr. Boatright. I looked at the hydrant fuel system there that will be needed for the 482nd, and the 301st and to support other units in a national emergency. Is it realistic for me to think or for anyone there to think in the near, foreseeable future that you may be able to put in a fuel system there in case of an emergency so that there could be some strong capacity to pump the gas or the fuel to the cargo planes like the C-141 and KC-10 tankers?

FLORIDA AIR NATIONAL GUARD

Is it also true that the Florida Air National Guard has an air defense alert mission that requires the F-16s to be available 24 hours a day, seven days a week? Is that correct?

Mr. BOATRIGHT. Let me ask Colonel Weaver to respond to that.

Colonel WEAVER. Yes, we do. The aircraft are presently performing alert at Naval Air Station Key West after the disaster of the hurricane at Homestead. We are planning to relocate back to Homestead by 30 April 1995 and operate from the facility thereafter.

HYDRANT FUEL SYSTEM

Mrs. MEEK. Well, I have some more questions, and I will present them for the record. But doesn't that mean that you do really need that hydrant fuel system there in the event to back up those planes?

Colonel WEAVER. We require refueling from multiple sources. Hydrant fueling would certainly be beneficial to us in any event. We would not be the primary users of a hydrant system. The larger aircraft that would be utilizing Homestead would be the primary users. We could take advantage of the hydrant system.

Mrs. MEEK. One last question, and I will submit the others. I talked to the Secretary and the other Air Force personnel on the plan for this instrumentation system, which was based at Homestead and which is needed at Homestead. It has the capacity to gather data, the kinds of data that they need for training fighter pilots there. And you call it some kind of—I don't remember the name—

Mr. BOATRIGHT. ACMI.

Mrs. MEEK. All right. Is there any possibility that that may be returned to Homestead?

Mr. BOATRIGHT. Our active command that has the desire to locate that at Homestead, the Air Combat Command at Langley Air

Force Base in Virginia, has made a formal request of the Air Force to relocate that activity to Homestead. We don't have any resources to do that. It would be inappropriate to use any BRAC funding for that purpose. It would be inappropriate to use any of the supplemental hurricane funding for that purpose because that is restricted to the Reserve component.

So, if the command can find a way to finance this and it can be included in an Air Force budget, we wouldn't have any objection to doing that. We would, however, ask the Air Force Reserve to take over the responsibility of maintaining and operating that activity, because we are required by the base closure recommendations to limit the activities at Homestead Air Force base to the Reserve component.

Mrs. MEEK. My Chairman heard that, didn't you, Mr. Chairman?

PHYSICAL FITNESS FACILITY AT HOMESTEAD AFB

The last thing has to do with physical fitness. We talk a lot about the quality of life for the service people there. And the few remaining physical fitness facilities are now out of the military containment area, the part of the base reserved for military use. The base swimming pool now belongs to Dade County, which does not intend to operate it. Much of what service people would use to keep in shape was destroyed. Do you have any plans for enhancing the physical fitness facilities there at Homestead?

Mr. BOATRIGHT. Let me ask General Bradley.

General BRADLEY. Ma'am, we have a project on the books that we are planning to have in the Air Force program in the future to repair the physical fitness center that is there currently. I am not knowledgeable enough about the extent of the size of that facility, but I can tell you that we do have a project on the books that we intend to execute.

Mrs. MEEK. Thank you, Mr. Chairman. I would like to submit the rest of my questions for the record and I must go upstairs to the Energy and Water Subcommittee, if you don't mind, if you promise me that instrumentation that they need at Homestead.

Mr. HEFNER. I tell you what, I would think you would have a good advocate for that. If there is one person that never forgets anything or gets off the subject until she gets it done, it is Mrs. Meek. You remind me of that.

The gentleman from Alabama.

AIR FORCE MILITARY CONSTRUCTION BUDGET REQUEST PROCESS

Mr. CALLAHAN. Thank you, Mr. Chairman. Fellows, how about just walking me through this process, because I am getting somewhat confused. You are the third or forth branch of the Armed Services that has been here and we are seeing a strange trend.

Throughout the year, the people at your various installations submit requests to you for construction projects or renovation projects; is that right?

Mr. BOATRIGHT. Yes, sir, I would let General McCarthy respond to that.

Mr. CALLAHAN. One for the Reserves and one for the regular Air Force. They send you requests, we need a new housing project here. And then it comes to you two, depending on whether it is re-

serves or regular; you, as the civil engineer and you as the regular Air Force?

Anyway, they send them up to you and you sit down and you decide, well, for example, Homestead Air Force Base, they don't need a swimming pool renovated or they don't need a physical fitness facility. You make that decision here; right?

Mr. BOATRIGHT. Well, the decision is made really in a more comprehensive way between the corporate Air Force——

Mr. CALLAHAN. But it comes to you and you guys submit it to Mr. Boatright? Right?

General MCCARTHY. The Air Staff and the Secretary look at all the projects and compare it with the rest of the Air Staff and the total Air Force budget as to what we can afford in construction and what has to go to other Air Force things. So, then, the list is pared down as it was this year, because money went to other Air Force priorities so projects were culled out. And then we submit it to the Office of the Secretary of Defense, and they go further in comparing the other projects.

Mr. CALLAHAN. So it comes to you four guys and you sit down and you say, well, we are going to recommend Homestead, and we are going to recommend something for Mrs. Meek because it has a higher priority than for Sonny Callahan. You make that decision. That is fine.

Mr. BOATRIGHT. I need to clarify that. We try to rely heavily on the command's priority list. Our field commanders come in with their priorities.

Mr. CALLAHAN. That is in between. I am trying to get to a point, but I am trying to understand the process because there are some strange things happening up here.

Mr. BOATRIGHT. What we try to do is not deal with specific projects within the Air Force by denying projects.

Mr. CALLAHAN. So you submit them all?

Mr. BOATRIGHT. No, but we have a command submittal. All of the commands have their submittal in, we have a package this big and it totals out so many hundred million dollars. And then as we look at all the priorities for all the things that we have to fund we decide that we can only spend two-thirds of that in military construction and so then we go back to our commands and say, okay, you have to give up a certain amount. Tell us which ones you want to give up. And so within the Air Force structure that is how the process works.

Once the Air Force budget goes to the Office of the Secretary of Defense, then, in fact, in the decision process, they do address specific projects and they do delete projects—specific projects. They don't come back and ask the Air Force generally which ones do you want? We are going to take these out. Instead, they say this project comes out and this project comes out and that becomes a formal decision.

Mr. CALLAHAN. Do you have any idea how many dollars were requested from the lower level to the command level?

Mr. BOATRIGHT. Yes, sir.

General MCCARTHY. About \$800 million for normal MILCON was requested in the Air Force.

Mr. CALLAHAN. New construction, \$800 million was requested from all points. And so that request channels up to you and finally it gets down to the point where you say, I know last year we got for military construction a billion dollars. And then they rescinded about \$54 million of that. So you said last year you needed a billion dollars and this year you need \$357 million.

Mr. BOATRIGHT. As a result of the final decision process within the Department of Defense, our regular Military Construction Program to support the active force came out to about \$350 million.

Mr. CALLAHAN. So you didn't take another figure higher than your level? You didn't ever say we need \$800 million?

Mr. BOATRIGHT. Yes.

General MCCARTHY. No.

Mr. CALLAHAN. One is saying, yes, and one is saying, no.

General MCCARTHY. The \$800 million came to the Air Force. It was reduced by the Air Force to five or \$600 million. And then we submitted that to the Office of the Secretary of Defense and it was further reduced to the number you see.

Mr. CALLAHAN. How much was the number you submitted originally?

General MCCARTHY. Six-hundred eighteen.

Mr. CALLAHAN. So you submitted a \$618 million request to your superiors and they came back down and said you can't have or we don't have \$600 million; we only have \$300 million. That is where I am getting confused.

Mr. BOATRIGHT. The 618 was submitted by the Air Force to the Office of the Secretary of Defense as the military construction portion of the Air Force proposed budget.

Mr. CALLAHAN. Who does the arguing for you when they come back—you told them that the absolutely smallest amount you could get by with is \$600 million and they came back and cut that in half and what do you say? As a good soldier do you say, yes, sir? Or do you have any point that you can say, wait a minute here. The quality of life—you are giving more money to the NATO forces overseas to improve their construction than you are to the Air Force.

Mr. BOATRIGHT. Most of those decisions go through the Secretary of the Air Force back to the Secretary of Defense.

Mr. CALLAHAN. Where do you get down to the smoke-filled room and start banging on the table, defending your men that you represent and women in the Air Force saying that our quality of life is diminishing? And I have read through some of this report here.

They are talking about the quality of life. They cannot patch these buildings anymore. When do you get down to the arguing point? I guess that is what I am getting at.

Mr. BOATRIGHT. We have an opportunity to have discussions. They are called major budget issues, and that is where the Secretary and the Chief of Staff go down and talk to the senior leadership in the Office of the Secretary of Defense to talk about issues that come out of the budget decision process. I will tell you that in this round, after the budget decision process had taken place, there were some issues that related to military construction and the Air Force was allowed to buy back some additional quality of

life facilities that were not in the Air Force budget as a result of that final decision process.

We had to trade off things that were in the Air Force budget at that point in time to buy back the military construction. And that is kind of where the Air Force came to the bottom line saying we just simply have to have these things back and we are willing to pay for them with these other things if you will agree to take those out of the budget and reinstate these items. And we did that.

We believe that the program before the Congress this year, the MILCON program, is a very modest program.

Mr. CALLAHAN. I agree with that. I think it is the most modest program you have had since World War II.

Mr. BOATRIGHT. There is still a great deal of uncertainty that exists in the organization and drawdown of the Department. We got the 1995 round of closures in front of us. The strategy has some merit. I will tell you very honestly that if this had been left to the Air Force to decide exactly what the Air Force needed in relationship to our priorities, I believe the Air Force MILCON program would be larger than it is, but we are a part of the Department of Defense and we support the strategies of the department. And we understand how these decisions are made, and we have our opportunity to present our program, to defend it, and then we accept the results and we go with the President's budget and support it.

Mr. CALLAHAN. You do anticipate that even though they originally asked for twice as much and your budget has been cut by 66 percent over last year that, in addition to this, more than likely we are going to get another rescission message, so you are going to have another 25 or 30 million cut off of here. I guess you have taken that in consideration. I think I know where you are coming from and I think you know where I am coming from.

This committee is responsible to make certain that our military people live under liveable conditions and comfortable conditions. And we are seeing a trend where everybody is coming in here asking for about the same percentage reduction, and I just wonder whether the decision was made at the top to say Air Force you get \$300 million. Now, you go back and figure out a formula to get the \$300 million. Anyway, you know where I am coming from.

RESCISSIONS

Mr. Chairman, I am sorry, my time is up.

Mr. HEFNER. Well, I can assure the gentleman that if there is going to be a period of rescission, we are going to be yelling and screaming to any rescissions that come out of this budget. Last year we were hit very, very hard, and caused us problems with the base closure. So we are not going to sit still.

Also, we did get a plus up on family housing. We got, what, 66 million, 35 percent?

Mrs. BENTLEY. And nine for housing operations.

QUALITY OF LIFE

Mr. HEFNER. Like we said, this is not a new phenomenon. We have been doing it for years. We think we get short shrift here. And you gentlemen are put in the position, I guess, of trying to get more and trying to get a better share for something that doesn't

get headlines and it is not a sexy subject. Family housing and quality of life is something that is essential, but it is not a sexy item that you read about in the paper. It is just taken for granted that military guys live pretty good.

People say we drove through the base and it looks pretty good. We just have to continue to keep our heads on straight and our priorities in line, and hope Mr. Boatright will reconsider after next year and stay with us longer.

The gentlelady from Maryland.

DISPOSAL OF LEAD PAINT AND ASBESTOS

Mrs. BENTLEY. Thank you, Mr. Chairman.

Mr. Secretary, first I want to commend you for the approach that you are taking on keeping Air Force installations available for future needs. One of the concerns that I have had with the current base closures process is that large tracts of land are being turned over for housing and business developments. If we ever have a need to build up our defense structure, we are not going to have that land nor the assets on that land, so I am glad to hear your approach on that.

On demolition, you mentioned lead paint and asbestos. What kind of ongoing cost do you see with disposal of lead paint and asbestos? I am under the impression that storing asbestos in a landfill is very expensive because it rises to the surface. What are you doing about finding ways of cutting the ongoing cost of storage?

Mr. BOATRIGHT. I will ask General McCarthy if he can respond to that. I don't know myself. I will be pleased to get a comprehensive answer for the record for you.

General MCCARTHY. I can't provide you a very responsive answer on how we are reducing costs. We are burying asbestos in landfills and it is costly.

Mrs. BENTLEY. As I understand it, and also can you give us the answer on that, and if they do rise to the surface down the road, and then the area is turned over to a third party to use, for example a State, there is a question whether the Air Force continues to be liable for any future environmental risk.

Mr. BOATRIGHT. We will add that to the answer that you have requested.

[The information follows:]

These costs should increase because of rising disposal costs and increasing regulations that govern these substances. We do not track Air Force-wide disposal costs for these specific materials; they are included in our total operations and maintenance budget.

Disposal in permitted landfills is currently the safest and most economical means for disposing of asbestos waste. We are pursuing better methods of disposal, such as technologies that convert asbestos to a non-hazardous substance. We are minimizing costs by removing asbestos only when it poses a safety or health hazard.

Mrs. BENTLEY. One other question: Is there a method to black box these materials to change them into components so that they will not need to be stored in hazardous waste dumps? Have you investigated such possibilities?

Mr. BOATRIGHT. We will ask our experts to address that.

[The information follows:]

CHANGE MATERIAL COMPONENTS

We are pursuing pollution prevention technologies that do this and will share them with other DoD agencies as soon as we know the technologies work.

FISCAL YEAR 1995 GUARD AND RESERVE FUNDING

Mrs. BENTLEY. In my district there is an Air National Guard unit. You stated that the Air National Guard and the Air Force Reserves have experienced an increase in facilities with a decrease in personnel and assigned aircraft. The increase in facilities is due to the turnover of several active duty bases and missions to Reserve components.

Does this argue for holding down fiscal year 1995 funding for the Guard and Reserve until the base structure is re-examined in the base realignment closure process?

Mr. BOATRIGHT. I believe that we have to take a real hard look at the Guard and Reserve basing structure during this round of closures. We have added considerably, especially to the Air Force Reserve, by closing down Air Force bases, but leaving Reserve units at those bases in the hopes that over time that these bases would become civilian airports and then the Reserve unit would be a tenant at that location, and once that happens that becomes very cost-effective, but until that happens there is a considerable burden on the Air Force Reserve.

In the Air Guard, because of a lot of conversions of smaller aircraft to larger aircraft in the latest reorganization within the Air Force, their facility structure has expanded some as well. Because of this growth, and the fact that everything else seems to be shrinking some, we are going to take a hard look at it.

Now, I don't think there is any real need to slow down any construction that is being requested for the Guard and Reserve, because I think their levels are very low right now and I certainly would not want to propose that we go any lower than the request. But certainly some of that structure that presently is in the Guard and the Reserve will be looked at very hard in this next round of closures and realignments.

Mrs. BENTLEY. Thank you, Mr. Chairman.

Mr. HEFNER. Mr. Hobson.

Mr. HOBSON. Thank you, Mr. Chairman. Nice to see you again, Mr. Boatright. I, too, hope you stay around a little longer. It was an interesting, but nervous scenario that we went through last time with base closure. I am sure we are going to be equally nervous this time because I have Wright-Patterson Air Force Base and Springfield National Guard Base in my district. They are only 15 or 20 miles apart, but there is a great mission difference between what a National Guard unit does versus a Reserve or active duty unit that is on a regular base. We can debate that for some time.

But I appreciate, frankly, the realism that you showed about cost savings in moving and closing bases in the last round; that there has to be real savings, a substantial amount if we are going to go through this or it doesn't make any sense.

RESEARCH AND DEVELOPMENT

I saw Mrs. Meek in the hall and I told her that I hoped there were a couple of cents left after she got finished with the Secretary,

but I am not sure about that. One thing gave me heartburn in one of your responses to questions about research and development. I guess I am old enough that some of these things that we have experienced before—maybe not to the degree that we have today—But as we begin to look at research and development programs, if we destroy it, we will never replace it. There are people out there in the world that are maybe not totally friendly to us still developing systems that are not advantageous to our security.

I worry as we look through this, and we get so embroiled in numbers, that we forget the strategic security of this country and the inability—if we destroy these research and development facilities—To bring it back. This has been built up over generations.

Many of the people who worked there have a generational background in the research and development of these systems. I am concerned about that and just wanted to make that statement. You don't have to respond keep it in mind but as you look at these things. It is somewhat parochial from my standpoint, I understand. However, I have also seen when we go down and try to bring it back, and I think you appreciate that. This is why I am glad that you are still there.

Mr. BOATRIGHT. I would like to have the opportunity to respond to that. Certainly the Air Force does not propose to do any irresponsible downsizing. We are going to look at the requirements that we have in the research and development area, as well as in the logistics business. But we believe that, and the Office of the Secretary of Defense has so directed, that the Department of Defense should look at the common support areas for Department of Defense across the Department, not just military department by military department. And so the Secretary of Defense has directed that there be some joint panels put together, which are already in operation today, and they are already doing their job to review certain common support areas across the Department of Defense so that we can identify where we may have some duplications within the military departments and so we can do some consolidations, and as a result of that, close down some of the activities within the Department of Defense that are in this support category, but clearly to do that in a very responsible way.

We don't want to give up the capabilities that you alluded to within the Department of Defense. Where we require that kind of capability in the future, then we want to retain it.

And we would like to retain the best capability that we have within the Department. For example, if the Air Force has the capability and the Navy has the capability, and they are very similar and can essentially do the same thing and we might be able to consolidate those activities into one, and be able to eliminate one of the other activities and save some money for the Department, that is the kind of action that we are looking for.

Mr. HOBSON. And I can't object to that and I don't think Congress can. We need to make sure that you make the best judgments on that, but I think that is a very responsible way to look at things. Facilities have to stand on their own from that standpoint if they are doing a good job.

CRITERIA DEVELOPMENT

That really brings me to my next question in a way, and it is criteria and how we develop criteria. Again, this is parochial, but I recently lost a very highly ranked and rated F-16 unit. It had no problems in recruiting. It had older aircraft, which they loved to fly because they are a little faster than the later one. If you are a pilot, and I am not, you loved them. They were doing a good job and they had a history of doing a good job. It was a Reserve unit.

I am concerned about when we do criteria adjustments, are they done on so many airplanes left and distribution in the West and the East? Is there any thought given to the history of that unit and their recruiting ability when these judgments are made?

Mr. BOATRIGHT. When we begin to downsize force structure, if, for example, we believe that we need to take some force structure out of the Air Force Reserve, we would go to the Air Force Reserve and we would ask the Air Force Reserve to help us decide what units should come down. So I am going to ask General Bradley representing the Air Force Reserve to respond to your question because we rely very heavily on the Air Force Reserve to help with the selection of the appropriate units to bring down.

General BRADLEY. Yes, sir, he is exactly right. The Air Force asks us to provide our opinion on how we want to do this. And as you have stated, the 906th Fighter Group at Wright-Patterson was a superb F-16 unit, excellent unit, great recruiting and we have no problems with that unit at all.

Mr. HOBSON. But it is gone.

General BRADLEY. Sir, they are going to convert to a different aircraft, and I will try to explain quickly how we go through that process. All of our other units are very good as well. We don't have a bad unit out there. And I could get to you some data to show that. The 906th was a superb unit, but the BRAC decision three years ago moved the 907th Airlift Group equipped with C-141B aircraft from Rickenbacker to Wright-Patterson. One of the things that went into the equation there is that due to economies of scale and similar kinds of airplanes, we could convert the 906th to the same C-141 aircraft and reduce some overhead structure. That would allow us to have two units flying the same airplanes and we would have some economies there for the taxpayers. That is one part of the equation.

Recruiting, facilities, ranges and availability of airspace, and weather and many things go into the decision process. Basically, because of reductions in budgets, the Cold War being over, and the Bottom-up Review, we were forced into reducing our fighter force structure. Everybody had to make some very difficult decisions on which units to convert. We are glad we have something to convert them to, rather than shutting them down.

Mr. HOBSON. And I appreciate that. About two-thirds of those people are still going to be performing a mission capability, although it will be a little different. The other question is what is going to happen to the other side of the field there at that facility? It is being used as an F-16 unit now. Are there plans for other aircraft, Reserve or regular force, to come in there or use it for storage facility or what?

General BRADLEY. Some of those facilities can be used regardless of the type of airplane you have. We have on the 21st through the 25th of March a group that will go in and look at everything there.

The facilities on that base belong to the active Air Force and they will, of course, have to make decisions on what to do with the facilities. However, there are things both on that side as well as the other side that will be looked at to try to accommodate that mission. We will try to make the best decision that we can.

Mr. BOATRIGHT. We will try to use the existing facilities out there to the maximum extent possible to beddown the converted unit. Those facilities that are available after we have done that, we will be aware of those as we go through the 1995 round of closures and realignment.

Mr. HOBSON. That is what worried me.

Mr. BOATRIGHT. I was looking at it more in the light of, you know, as we close some installations down, that could be a receiver location for an activity that might need to be relocated.

Mr. HOBSON. I hope it is a regular unit or Reserve unit and not a Guard unit.

Let me go to another situation, and I think I will submit the questions that I don't get to for the record.

One I would like to talk about is last year I had a letter to General Donald Shepperd concerning a munitions facility. There was a validated requirement for a regional munitions facility, but it was stopped, cut back, and I don't see it in anything that is going on now. Is that still on hold?

Colonel WEAVER. No, sir, we are looking at that now. But the 1995 Priority Investment Program and with the reduced budget precludes us from requesting funds for the near term. We do have the two other major projects the medical training and dining hall, and the jet fuel storage replacement ahead of the munitions. We have not given up on the munitions storage complex because, we think that is a valid requirement.

WRIGHT-PATTERSON AFB

Mr. HOBSON. And it does fit in that base. If I could talk about Wright-Patterson for just a minute, you know, I visited down there and there are two projects. One was the National Air Intelligence Center. They have a desperate need to add on to that facility. It is an ongoing mission that I think is probably critical to our continued strategic understanding of who our adversaries might be or might not be. Was that considered for fiscal 1995?

Mr. BOATRIGHT. I think it was in the Air Force's budget request for 1995. But I think it was disapproved in the budget review process. So it is not included, as I understand it, in our 1995 request.

Mr. HOBSON. There is no way—they seem to think that is pretty critical.

Mr. BOATRIGHT. We agreed with them.

Mr. HOBSON. They had the Secretary out there. I saw her out there and she is a scientist.

Mr. BOATRIGHT. I am sure that this will get high priority consideration for the next year's budget.

Mr. HOBSON. Fine. I have one last question, Mr. Chairman, if I may. And I guess this comes back to this question that we talked

about of overall capability between the services. I have noticed a little trend and it concerns me. The Air Force Institute of Technology (AFIT) has been a wonderful facility over the years for training people. It is located at Wright-Patterson Air Force Base. There are some things going on in the State to try to relieve some of that burden by taking University of Dayton, Wright State University and AFIT and forming a consortium. An AFIT construction project for labs seems to keep slipping; it is, again, not in this budget.

I guess I would just like to ask you to review this. One of the things that worries me is the research and the technology and the ability to train people long-term and not get so caught up in trying to save a few bucks now that we have to come back later. My tendency is I look at the stuff historically where we come back and then we throw money at things.

If we had just had some ability to survey these things better. I see a technology center, and the Air Force has always been high on technology, and I see this slipping a bit. It is a lot of money and I understand that. However the commander of AFIT was a two-star slot, then it was a one-star slot, and now, no disrespect, it is a full bird. That tends to start sending signals in my mind and make me worried.

There is a real base of technology in this area with the universities and AFIT. You have a real knowledge base there. Is there something going on of which we are not aware? This slipped to 1997, but it was going to go some time ago. It just keeps slipping. Does anybody know anything about it?

Mr. BOATRIGHT. I could provide you some answer for the record with regard to the activity itself and the importance of that activity and how it is looked at for the future. I will ask General McCarthy to give you any kind of response he can give you with regard to the project and whatever else he might have with regard to the activity itself.

[The information follows:]

The Air Force Institute of Technology (AFIT) continues to provide a vital contribution to the mission of the United States Air Force. This past year, at the request of the Air Force Vice Chief of Staff, Air University accomplished a thorough review of AFIT's education programs. The review validated the continued value of those programs to the Air Force. A key element of the AFIT value calculus is Air Force relevant research conducted by graduate faculty and students. AFIT resident graduate programs provide the Air Force with over \$30 million in cost avoidance research each year in technologies that keep the Air Force on the leading edge and directly impact present and future weapons systems. For example, the Joint Surveillance Target and Attack Radar System (JSTARS), that was so effective in the Gulf War grew out of an AFIT doctoral dissertation. As you can see, the Air Force continues to support AFIT and recognizes its important contributions to the building and maintaining of the world's most respected Air and Space Force.

Mr. HEFNER. Thank you, gentlemen. Have a good day. And the committee stands adjourned pending the call of the chair.

[CLERK'S NOTE.—Questions for the record submitted by Chairman Hefner:]

PROGRAM LEVEL

Question. Mr. Boatright, I see where the Air Force budget for 1995 is down by 63 percent for Military Construction, increased by 35 percent for Housing Construction and increased by 9 percent for

Housing Operations and Maintenance. Apparently you came out relatively well in the Housing portion but not in Military Construction. What is your gut feeling about the level of funding? Did OSD cut the Air Force program too deep even though we can expect a significant number of bases to be recommended for closure next year?

Answer. This was a difficult year for the Air Force to stay within the Department's top line budget and still do justice to all the essential programs that make up a great Air Force. Within that top line Air Force did well in achieving a balanced program. While we, in the facilities business are perhaps disappointed at the low level of MILCON in the program this year, when compared against other major funding requirements like force structure, spares, readiness and so on, we feel that the level of funding you see is appropriate. As the new smaller Air Force and its base structure stabilize we anticipate funding levels to again increase so that proper facility and infrastructure support is provided. The Air Force has always attempted to maintain quality family housing for its people; however, housing was under funded in FY 94. Housing levels in FY 95 are almost back to prior year levels and therefore the MILCON program looks low by comparison.

CONSOLIDATION OF FACILITIES

Question. You have talked about the Air Force plan to consolidate functions into new, more efficient, cost-effective facilities and demolish the other, inefficient, maintenance-intensive facilities. You also discuss demolition of facilities to help keep pace with declining budgets and reduced force structure. How do you accomplish this demolition given the declining budget?

Answer. The Air Force has a problem because while numbers of aircraft have come down 33.4 percent, bases have been reduced by only 24.8 percent and facility square footage only 20.6 percent. If we are unable to increase the rate of facility consolidation and demolition the quality of the Air Force plant will continue to fall due to decreasing funding levels. To prevent this the Air Force proposes to reprogram MILCON saving from low bids and cancelled projects to accomplish demolition of facilities. We would do this with full Congressional notification. This initiative will accelerate the razing of old facilities.

Question. Do Commanders consider O&M dollars to be too scarce to use our demolition?

Answer. Yes. Current O&M funding levels would require 10 to 15 years to complete demolition of the 1,131 buildings identified for and ready to tear down. O&M funding in the FY 95 President's Budget cannot absorb the estimated \$80 million required for demolition. Razing these facilities, however, will reduce the strain the already severely limited O&M account by eliminating some utility and maintenance costs.

AIR FORCE RESERVE COMPONENTS

Question. You state that the Air National Guard and the Air Force Reserve have experienced an increase in facilities with a decrease in both personnel and assigned aircraft. The increase in facilities is due to the turnover of several active duty bases and mis-

sions to reserve components. Does this argue for holding down fiscal year 1995 funding for the Guard and Reserve until the base structure is re-examined in the base realignment process?

Answer. Holding down FY 1995 Reserve MILCON funding was not based on the current BRAC process. OSD's limited/prioritized program is simply an effort to balance the military budget.

HOUSING CONSTRUCTION

Question. The Air Force's budget for housing construction is increased by \$66 million or 35 percent. Did the Air Force have to appeal for this increase?

Answer. The \$66 million increase resulted from an OSD decision to defer some of the FY 94 construction program to the FY 95 budget. The Air Force did make successful appeals to keep this increase over FY 94 levels.

ENVIRONMENTAL COMPLIANCE

Question. Almost 30 percent of the Air Force military construction request is for environmental compliance projects. For the Guard and Reserves the percentage is 55 and 25 percent respectively. The total request for environmental compliance is \$160 million. Did the request for environmental compliance projects in any way "crowd out" other quality of life or readiness projects?

Answer. Yes, however environmental projects are driven by statute and are therefore funded off the top. When comparing the environmental program with the remaining total program it is readily seen that not much was left for other essential requirements. Our environmental investment strategy has been to fund an adequate environmental program each year to meet compliance deadlines and resolve out of compliance situations. This is necessary to avoid a large environmental compliance "must pay" bill in later years, which would create an even more acute situation. The total environmental compliance program for FY 95 is considered to be the minimum level that will allow us to meet our commitments.

ENVIRONMENTAL COMPLIANCE—GUARD

Question. Almost 30 percent of the Air Force military construction request is for environmental compliance projects. For the Guard and Reserves the percentage is 55 and 25 percent respectively. The total request for environmental compliance is \$160 million. Did the request for environmental compliance projects in any way "crowd out" other quality of life readiness projects?

Answer. No, the Air National Guard has initiated an aggressive program to clean up bases and keep them clean. This is one of our highest priorities.

ENVIRONMENTAL COMPLIANCE—RESERVE

Question. Almost 30 percent of the Air Force military construction request is for environmental compliance projects. For the Guard and Reserves the percentage is 55 and 25 percent respectively. The total request for environmental compliance is \$160 million. Did the request for environmental compliance projects in any way "crowd out" other quality of life or readiness projects?

Answer. No. The environmental portion of the MILCON pot was scrubbed as severely as the current mission and new mission portions. Only Level I environmental projects (i.e., those projects needed to correct situations that are breaking existing laws) survived the scrub.

ENVIRONMENTAL COMPLIANCE—UNDERGROUND FUEL STORAGE TANKS

Question. Since the replacement of underground fuel storage tanks are required to meet a December 1998 compliance deadline, why not defer replacement until base closure recommendations are determined?

Answer. Closure of a base will not relieve the Air Force from its responsibility of bringing the installation into compliance with all environmental regulations, including those governing underground storage tanks. To defer these requirements will create a funding "bow wave", causing an unacceptable burden in the out years. Also, waiting until the next round of BRAC closures will push resulting requirements into the FY 1997 program, leaving only one year for execution. Attempting to execute projects so close to mandated deadlines will increase our risk of statute violation.

PROGRAM LEVEL "BUY BACK"

Question. When OSD announced to you that the Air Force military construction was going to be dramatically cut, did the Air Force appeal the decision and did the Air Force have any success in restoring the cuts?

Answer. The Air Force did not formally appeal the cut, however, we worked with OSD to insure that the reduced program included the most essential construction requirements.

HOUSING MAINTENANCE ACCOUNT

Question. The Congress, last year, was forced to reduce the Air Force Maintenance account by \$63 million because of a reduced outlay allocation. The fiscal year 1994 conference report expected the Department to adequately provide for maintenance in future budget submissions. Does the fiscal year 1995 housing maintenance request adequately provide for Air Force needs?

Answer. The FY95 maintenance and repair request is for \$384 million. This meets the requirement of day-to-day maintenance and also covers \$163 million for major repair projects. However, our backlog of deferred maintenance grows in FY94 and FY95. To prevent backlog growth in FY95 the Air Force requires a total of \$412 million. To meet our requirements for reducing the backlog over the next ten years would require \$54 million per year additional, or \$466 million in the maintenance and repair account for FY95.

SCOTT AFB—CARDINAL CREEK VILLAGE RELOCATION

Question. The Air Force is requesting \$30 million for phase III of Cardinal Creek Village replacement at Scott Air Force Base, Illinois. What is the minimum amount of funds required in fiscal year 1995 without delaying execution of the project or violating the relocation agreement with local interests?

Answer. Any reduction in the \$30 million requested for FY 95 could reduce the number of housing units delivered as well as delay the project completion date. St. Clair County, IL has established a request for proposals (RFP) process to execute the \$90 million replacement project. The RFP is structured to award contract options based on the funding flow of the \$90 million to try to build as many of the 1,072 replacement housing units as possible. Under the current plan, the \$30 million requested in FY 95 will be used to award the first two options, in which most of the housing units will be constructed. Availability of funds will have a significant impact on the option bids, taking into account economies of scale, bulk purchases of materials, long term commitments for subcontractors, and inflation. The consultant managing the project estimates 50–80 fewer houses may be built if the \$30 million is not made available in FY 95. Additionally, the implementation agreement with the County makes delivery of the housing units by October 97 contingent on transferring \$30 million to the County in FY 95.

BASE CLOSURE RESCISSION

Question. Does the rescission of fiscal year 1994 base closure III funds impact on Air Force budgeted requirements for fiscal year 1994?

Answer. The rescission of fiscal year 1994 base closure III funds will not affect the Air Force budgeted requirements or the implementation schedules developed for base closure in fiscal year 1994. Before the rescission took place, the Air Force built its fiscal year 95 base closure and realignment budget plan predicated on using available unobligated funds in the base closure account. These funds appropriated in fiscal year 94 for BRAC 91 and BRAC 93 bases plus the prior year unobligated balances are sufficient to meet all fiscal year 1994 requirements even after the rescission. However, the rescission will impact our requirements for fiscal year 1995, as it will reduce the amount of funds that were considered to be available to meet 1995 requirements.

PLANNING AND DESIGN

Question. It appears that the budget requests for planning and design are significantly short of the requirements—\$50 million for the Air Force, \$28 million for the Air National Guard, and \$3 million for the Air Force Reserves. How do you plan to make up these shortfalls?

Answer. FY 95 planning and design funds are programmed to complete design for the budget year plus one (FY 96) and to start the budget year plus two (FY 97) projects. We plan to mitigate the funding shortfall to some extent through the use of design-build and turnkey construction contracting. This strategy may increase construction cost slightly. If our initiatives to reduce planning and design costs fail we may request additional funds be reprogrammed by Congress.

PLANNING AND DESIGN—RESERVE

Question. It appears that the budget requests for planning and design are significantly short of the requirements—\$50 million for the Air Force, \$28 million for the Air National Guard, and \$3 million for the Air Force Reserve. How do you plan to make up for these shortfalls?

Answer. The Air Force Reserve is currently seeking approval to reprogram MILCON funds for planning and design. We have identified approximately \$2 million in prior year MILCON savings that we propose be used toward this shortfall. We are hoping that good bids will offer additional savings that we can reprogram for planning and design.

PLANNING AND DESIGN—GUARD

Question. It appears that the budget requests for planning and design are significantly short of the requirements—\$50 million for the Air Force, \$28 million for the Air National Guard and \$3 million for the Air Force Reserve. How do you plan to make up for these shortfalls?

Answer. The Air National Guard is looking at canceling and deferring projects then reprogramming the funds to make up the design shortfall.

DESIGN TARGET

Question. Our understanding is that the OSD design target of 9 percent is too low in comparison with actual design costs. Based on Air Force experience, what is a more appropriate design cost for a project? It is different for the active Air Force, the Air Guard, and the Air Reserve?

Answer. The actual planning and design funds as a percentage of construction costs required to develop a specific project varies based on scope and complexity; large projects have a lower percentage and complex projects a greater percentage. The planning and design funds required to develop an entire Fiscal Year Military Construction Program varies based on the turbulence experienced during the review and approval process—last minute changes and additions drive up costs. As the Air Force goes through major reorganization combined with substantial force structure reductions in response to Bottom Up Review the cost of planning and design as a percentage of the program is on the rise. The Air Force supports the OSD target of 9 percent under normal circumstances but would feel more comfortable with 11% in these turbulent times.

DESIGN TARGET—GUARD

Question. Our understanding is that the OSD design target of 9 percent is too low in comparison with actual design costs. Based on Air Force experience, what is a more appropriate design cost for a project? Is it different for the active Air Force, the Air Guard, and the Air Reserve?

Answer. The Air National Guard does not use the Army Corps of Engineers for design. We use the Navy Facilities Engineering Command only at a few selected locations. The Air National Guard

primarily uses the United States Fiscal and Property Office in each state. Our estimated cost for design is approximately ten percent.

DESIGN TARGET—RESERVE

Question. Our understanding is that the OSD design target of 9 percent is too low in comparison with actual design costs. Based on Air Force experience, what is a more appropriate design cost for a project? Is it different for the active Air Force, the Air Guard, and the Air Reserve?

Answer. Our records show that planning and design of Air Force Reserve MILCON projects cost 14.2 percent, not 9 percent. The variation is due to the fact that the Corps of Engineers is structured to support large, standard projects. Air Force Reserve projects, although standard in nature, are very low cost—ranging from a \$500,000 environmental project to a \$5.1 million taxiway replacement project.

COMISO, ITALY

Question. Does the Air Force have sufficient authority to buy-out the family housing lease at Comiso, Italy from within funds appropriated for family housing operation and maintenance?

Answer. The Air Force does not have authority to buy out the build-to-lease at Comiso AB, Italy with appropriated Operation and Maintenance funds. Buying-out the lease will give the U.S. all rights of ownership to the units. 10 USC 2822 requires that the acquisition of family housing units must be specifically authorized by law. Buying-out the lease in FY95 would save \$6.2M over the remainder of the contract and give the U.S. claim on residual value for the units.

FIRE SPRINKLERS

Question. Public Law 102-522 established a requirement for installation of automatic sprinkler systems in multi-family Military Family Housing. How much would it cost to adopt this requirement for all existing housing units?

Answer. A total of \$85 million for CONUS housing.

Question. Are you proposing legislation to limit sprinklers to housing units of 4 stories or higher along with hard-wired smoke detectors for all housing units?

Answer. Yes. The Air Force proposed legislation does not require sprinklers in housing less than four stories in height but does require hard-wired smoke detectors.

Question. How much in savings can be achieved in the Air Force fiscal year 1995 budget if sprinkler systems are excluded as a requirement?

Answer. A total of \$1.5 million.

BACKLOG OF HOUSING DEFERRED MAINTENANCE AND REPAIR

Question. Explain the current backlog of deferred maintenance and repairs for family housing in terms of current backlog after adjustments to base closure and how much the backlog is expected to increase by the end of fiscal year 1995.

Answer. The maintenance backlog was reduced \$395 million because BRAC I and II requirements were deleted from the backlog in FY91, 92 and 93. The BRAC III deferred projects (\$121 million) were removed from the backlog at the end of FY93. We also revalidated the backlog at the end of FY93 eliminating another \$159 million of excessive costs. The backlog at the beginning of FY95 will be \$922 million. The backlog will grow in FY95 because the maintenance account will be \$28 million and the investment account \$35 million below the requirement line.

AIR NATIONAL GUARD—RICKENBACKER, OHIO

Question. What is the status of the State of Ohio's burdensharing proposal to lower the Air National Guard's long term operating costs at Rickenbacker Port Authority airport?

Answer. We are negotiating a new Airport Joint Use Agreement with the Airport Authority covering the joint use areas of the airfield; i.e., runways, taxiways, airfield lighting, NAVAIDS, etc. that is expected to be approximately 60% less than we are currently paying to Rickenbacker Port Authority. Additionally, the cantonment area will be reduced from 2,016 acres and 150 facilities to 180 acres and 15 facilities which will substantially reduce maintenance and utility costs.

O'HARE INTERNATIONAL AIRPORT AIR FORCE RESERVES STATION

Question. What is the status of the plan to close the O'Hare Air Force Reserve Station provided the City of Chicago covers the cost of relocation from O'Hare airport?

Answer. The plan to close the O'Hare Air Force Reserve Station will proceed according to the established Air Force process; when the City of Chicago provides a commitment of funds to cover the cost of the relocation from the airport, and if proposed site is other than Rockford, approval by the Secretary of the Air Force will be required. Actual closure of the facility will not occur until the new facilities at the relocation site are complete and the Air Reserve units have moved.

FAMILY HOUSING—TYNDALL AFB, FLORIDA

Question. Last year's budget request included \$5,732,000 to provide infrastructure for a future 450 unit family housing project at Tyndall Air Force Base. These funds were included in last year's bill, but section 106 of the bill prohibits the use of these funds until funds for the housing units have been appropriated. This year's budget does not request such funds. What is the current status of this project? Has the infrastructure project been canceled?

Answer. The FY 94 MFH infrastructure project at Tyndall AFB, Florida is currently on hold. We are proposing to amend the FY 94 National Defense Authorization Act to convert the infrastructure project to a family housing project for 45 units at the same PA of \$5.7 million.

AIR FORCE RESERVE AND BRAC

Question. Four installations are being transferred from the Active Air Force to the Air Force Reserve as part of base realignment

and closure. Are the BRAC accounts fully meeting the Air Force Reserve's requirements at these locations (Bergstrom AFB, Carswell AFB, Homestead AFB, and March AFB)?

Answer. The BRAC account has sufficient funds to meet the Air Force Reserve's BRAC requirements at Bergstrom, Carswell, and March AFBs. The Air Force Reserve's requirements at Homestead AFB are being met primarily with emergency supplemental funding to repair hurricane damage. The BRAC account is being charged appropriately for those actions which should be paid from the account. Recurring expenses or other costs not directly associated with base closure and realignments will be paid from other appropriations. During the remainder of FY 1994, incremental adjustments will be made by the Air Force to meet shortfall requirements of the Air Force Reserve.

AVERAGE AGE OF STRUCTURES

Question. What is the average age of the Air Force's physical plant?

Answer. The average age of the Air Force's physical plant excluding Military Family Housing, is 28 years. The average age of Military Family Housing is 31 years. The majority of facilities were constructed during the 1950's with peak construction occurring in 1953. The FY 94 Plant Replacement Value is \$160B.

Question. What is the average age of housing designated for improvement or replacement.

Answer. The average age is 32 years.

GUARD AND RESERVE

Question. What is the value of the current physical plant, and the types, numbers and average age of facilities?

Answer. Our physical plant is currently valued at \$3.3 billion. However, by the end of FY 1995, our physical plant will total \$4.5 billion due to the addition of Bergstrom, Carswell, Grissom, Homestead, and March AFBs. Our physical plant includes all types of facilities, with the exception of Military Family Housing. The \$3.3 billion figure includes 755 buildings totaling 8 million square feet, 9 million square yards of airfield pavements, 212 miles of roads, 223 miles of power distribution lines, and 8 thousand acres of land. The average age of our physical plant is approximately 29 years.

Question. What is the value of the current physical plant, and the types, numbers and average age of facilities?

Answer. The Air National Guard's physical plant is valued at \$11.9 billion. It consists of approximately 5,200 facilities and is on average 35.1 years old. Over sixty percent of the buildings are aircraft hangars, maintenance shops and logistics facilities. The remaining buildings are primarily used for operations, training and administration.

BACKLOG

Question. How much would be required, above and beyond the budget request, just to keep even with facilities needs?

Answer. To keep even with our facilities needs, we would need another \$42.25 million in new mission MILCON and another \$57.00 million in current mission MILCON. Since our additional environmental MILCON projects are not required until the FY 97 program, our FY 95 MILCON program should be increased by \$99.25 million to stay on track with our facilities requirements.

BACKLOG—RESERVE

Question. What is the current backlog of facility requirements, and how much will this backlog grow under your 1995 program as requested?

Answer. The Air Force Reserve's current backlog of MILCON is \$420.58 million. \$47.25 million falls in the new mission category and supports force structure conversions. \$50.55 million falls in the environmental compliance arena. \$323.00 million supports current mission requirements, such as ensuring Air Force Reserve personnel have adequate training and working conditions or replacing failed infrastructure. With our \$21 million FY 1995 MILCON program, this backlog will grow to \$465.80 million (\$42.25 million in new mission MILCON, \$43.55 million in environmental MILCON, and \$380.00 million in current mission MILCON). This is a \$45.22 million increase in one year.

BACKLOG (GUARD)

Question. What is the current backlog of facility requirements, and how much will this backlog grow under your 1995 program as requested?

Answer. The Air National Guard's current backlog of facility requirements is \$1.5 billion and will grow about \$50 million during this year.

Question. How much would be required, above and beyond the budget request, just to keep even with facilities needs?

Answer. The Air National Guard field commanders have identified \$700 million in projects through the Commanders Facility Assessment. We feel that \$150 to \$200 million per year would be a good start in replacing and upgrading the unsatisfactory facilities.

EXCESS PRIOR YEAR AUTHORIZATION

Question. For the record, what is the amount of excess prior year authorization?

Answer. Our excess prior year authorization, from FY 1990 through FY 1994, totals approximately \$9 million. If we were to receive equivalent authorization and appropriation for our FY 1995 program, our excess authorization would drop to approximately \$900,000 because the majority of our excess authorization expires in FY 1995.

EXCESS PRIOR YEAR AUTHORIZATION (GUARD)

Question. For the record, what is the amount of excess prior year authorization?

Answer. Approximately \$34,322,000.

INVENTORY

Question. How many family housing units do you have in the United States, and how many overseas, excluding Sections 801 and 802, and excluding leases?

Answer. The average number of family housing units supported in FY95 are: United States, 90,319; Overseas, 28,592.

Question. How many Section 801, Section 802, and leased units do you have in the United States, and how many overseas?

Answer. Number of leased units for FY95:

<i>US:</i>	<i>Units</i>
Section 801	4035
Section 802	None
Leased	322
<i>Overseas:</i>	
Leased	4457
Total	8814

HOUSING DEFICITS

Question. What is your current worldwide family housing deficit?

Answer. The Air Force has a current family housing deficit of 29,000 units worldwide.

Question. What are your three largest deficits, and how large are they?

Answer. The Air Force's three largest deficits are; Elmendorf AFB, AK 2,000 units, Andrews AFB, MD 1,900 units, and Barksdale AFB, LA 1,400 units.

Question. What are your three most expensive deficit locations, based on actual payments of housing allowances?

Answer. The three most expensive areas with significant deficits are: Anchorage, AK area (Elmendorf AFB), Military District Washington DC area, (Andrews AFB, Bolling AFB, Pentagon, etc.), Los Angeles, CA area (Los Angeles AFB).

WAITING LISTS

Question. How many families are on waiting lists for government-provided family housing, and what is the average waiting time?

Answer. The overall average number of families on the waiting list is 47,806. The average waiting time is 9.5 months.

DEFERRED MAINTENANCE

Question. What percent of the family housing maintenance and repair requirement will be met within the fiscal year 1995 budget request?

Answer. The FY95 budget request will meet 82 percent of the family housing maintenance and repair requirement. This requirement is based on the level of funding needed to stop deferred maintenance and repair growth and begin buying back the backlog over the next ten years.

Question. What is the current backlog of deferred maintenance?

Answer. At the beginning of FY95 the backlog will be \$922M. The level of funding in FY95 will cause the backlog to grow to \$985M by the end of the year.

Question. How much additional maintenance and repair work could be performed during fiscal year 1995, beyond the budget request, and what are the limiting factors?

Answer. We have an additional \$256M in projects that could be ready to award in FY95. There are no limiting factors to award these projects.

CONSTRUCTION IMPROVEMENTS

Question. How many additional construction improvement could be performed during FY 95, beyond the budget request, and what are the limiting factors?

Answer. Another \$50 million improvement work could be performed during FY 95.

Question. How many family housing units are programmed for whole house revitalization within the budget request, and what is the funding increment for this work?

Answer. A total of 810 units at cost of \$56.8 million is for whole house improvement. The remaining \$4.9 million is for the improvement of neighborhood and support facilities.

CONTRACT CLEANING

Question. For how many units are you requesting contract cleaning funds, what is the average cost per unit, and what is the total amount requested?

Answer. For FY95, the Air Force projects supporting 17,500 units with contract cleaning funds. The Air Force goal is to maintain an average cleaning cost of \$235 per unit. The Air Force request is \$4.1 million.

Question. Describe in some detail how you document savings for each contract cleaning expenditure.

Answer. Commands with overseas contract cleaning programs are required to report status quarterly, with a final year-end report. There were documented savings of \$3.5M in FY93.

The Air Force report consists of eleven steps which compare costs before the program with Temporary Lodging Allowance (TLA) costs during the current report period. Documented data includes number of units cleaned for members departing PCS, average unit cleaning cost, and the savings derived from TLA cost reductions.

For example:

TLA days prior to contract cleaning:	
8 days X \$72 (TLA Rate)	\$576
TLA days after implementing contract cleaning:	
3 days X \$72 (TLA Rate)	216
TLA savings	360
Cost of cleaning	235
Actual savings per unit cleaned	125

CURRENCY FLUCTUATION

Question. What currency gains or losses are projected for your overseas housing programs during fiscal years 1994 and 1995?

Answer. Currency gains and losses are funded through the Foreign Currency Fluctuation Construction Defense Account. Through Jan 94 the CMA lost \$2.4 million.

OFFICER QUARTERS

Question. Please submit for the record a table showing: (a) how many general/flag officer quarters you have, separately identifying CONUS and OCONUS locations, (b) how many of these quarters exceed the statutory space limitation, and (c) the average O&M cost per unit.

Answer.

	Units	Over statutory space limits
US	262	155
US Overseas	4	4
Foreign	47	29
Total	313	188

Those units exceeding the statutory space limits are predominantly historical units. All units over the statutory limit were constructed prior to current 2100 net square foot space limit.

Based on the FY93 GOQ cost report, the average costs per unit are:

Operations	\$4,568
M&R	8,701
Total	13,269

Question. Please submit for the record a table showing all GFOQ projects included in the budget request, identifying the number of quarters and the amount requested for each installation. This table should separately identify new construction projects, construction improvement projects, and maintenance and report projects.

Answer.

(Dollar amounts in thousands)

Program	Base	Units	Cost
New Const	Mt Home	1	¹ \$248
Repl Const	Cannon	1	230
	Shaw	3	631
Impr	Maxwell	1	138
	Little Rock	1	122
	Travis	3	236
	Eglin	1	80
	Keesler	1	85
	Charleston	1	100
M&R	Los Angeles	3	166
	Bolling	11	1234
	Scott	17	782
	Osan	2	101

¹ Cost includes support facilities, contingency, supervision and overhead.

MILITARY COOPERATIVE HOUSING

Question. Please bring us up-to-date with any proposals you may have for military cooperative housing, such as the Soldier Housing and Retirement Equity Program?

Answer. The Air Force currently does not have any proposals for military cooperative housing.

HOMEOWNERS ASSISTANCE PROGRAM

Question. Provide a list of your Service's installations from which Homeowners Assistance Claims are currently pending?

Answer. Homeowners Assistance Program claims are pending at the following installations:

1. Castle AFB, CA
2. Eaker AFB, AR
3. England AFB, LA
4. Homestead AFB, FL
5. Loring AFB, ME
6. RAF Upper Heyford, UK
7. Carswell AFB, TX
8. K I Sawyer AFB, MI
9. Myrtle Beach, AFB, SC
10. Wurtsmith AFB, MI
11. RAF Bentwaters UK

Question. Is the program meeting the needs of your services?

Answer. The Homeowners Assistance Program is a favorable benefit for those who qualify. There is, however, concern that the benefits paid are insufficient and the member is required to pay too great a percentage of the loss.

PROJECTS NO LONGER REQUIRED

Question. Please provide for the record a list of any projects, either in the fiscal year 1995 request or in prior years' unobligated balances, that are no longer required due to force structure changes, base realignment or closures, mission changes, bilateral or multilateral agreements, or other reasons. Please include on this list military construction projects, family housing construction and construction improvement projects, and projects financed under the base realignment and closure accounts.

Answer. The following projects are no longer required.

MILCON 91, Bangor IAP, ME, Squadron Operations—.97M.

BRAC 93, Bangor IAP, ME, ANG Detached Alert CMLPX—7.9M.

ENVIRONMENTAL RESTORATION COSTS

Question. The Base Closure accounts are the sole source of funds for the Environmental Restoration of closure locations. Are sufficient funds included in the fiscal year 1995 budget to fully fund this work?

Answer. Yes. The Air Force FY 95 budget request included \$107.4 million for BRAC 93 bases. This request represents the amount the Air Force had previously identified and programmed for these bases in the Defense Environmental Restoration Account for FY 95. This amount added to the prior year unobligated balances should be sufficient to satisfy the Air Force's total FY 95 BRAC environmental requirements.

IMPOUNDED FISCAL YEAR 1994 FUNDS

Question. The Presidents rescission message dated November 1, 1993, proposed to rescind fiscal year 1994 funds from the active services and from the Reserve Components. The same total amount was rescinded in Public Law 103-211, but the details differed. Has

the difference between the proposed rescission and the enacted rescission been released to you, or is it being impounded until the rescission clock expires on March 25? Are the Reserve Components being handled the same as the Services?

Answer. The difference between the proposed rescission and the enacted rescission has been released to the Air Force by OSD on release letter MCAF-94-7 dated 23 Mar 94.

IMPOUNDED FISCAL YEAR 1994 FUNDS (GUARD)

Question. The President's rescission message dated November 1, 1993, proposed to rescind fiscal year 1994 funds from the active services and from the Reserve Components. The same total amount was rescinded in Public Law 103-211, but the details differed. Has the difference between proposed rescission and the enacted rescission been released to you, or is it being impounded until the rescission clock expires on March 25? Are the Reserve Components being handled the same as the Services?

Answer. The Air National Guard will receive all remaining funds on 10 March 1994. The rescission amount was based on PL 103-211.

DEFENSE APPROPRIATIONS BILL

Question. The budget proposes as new general provision in the Defense Appropriations bill—Section 8056—which would permit Family Housing O&M costs to be financed under that bill. Why is this language needed, and what plans do you have for using such authority if it is granted?

Answer. This language provides our commanders additional flexibility to resolve quality of life issues for Air Force people. This authority may not be used often, but it would be available if a commander determined that he had a funding shortfall in this family housing account that was more critical than any shortfalls in his O&M account.

[CLERK'S NOTE.—End of questions submitted for the record by Chairman Hefner.]

[CLERK'S NOTE.—Questions for the record submitted by Mrs. Vuconavich:]

MAINTAINING QUALITY OF INFRASTRUCTURE

Question. Mr. Boatright, you mention in your statement that your greatest challenge is to downsize the Air Force's infrastructure to an affordable size without compromising quality. And, last year, General Shalikashvili stressed the need to maintain the facilities we are keeping in Europe. Does this budget request adequately address those challenges and concern?

Answer. The Air Force is following Congressional guidelines to reduce overseas construction to the absolute minimum requirements. We have already reduced the number of our overseas main operating bases by 84 percent. The FY 95 MILCON program for overseas is very small at \$32M and includes a child development Center, 4 Environmental projects, a Dormitory, and an Operational Project. These were the most critical requirements that we were able to address within our budget constraints. As overseas long-

term basing is finalized we feel additional MILCON funding will be required to maintain what is left and provide an appropriate quality of life for those stationed overseas.

NELLIS AFB

Question. As you know Nellis Air Force Base is in my district and there are many projects and problems that need to be addressed to maintain its mission. Normally, smaller projects are fixed with O&M funds. Thus my question—is the Air Force receiving an adequate share of operation and maintenance funds to properly maintain its facilities.

Answer. Maintaining readiness and our infrastructure during this period of steep budget reductions is one of the biggest challenges the Air Force has had to face. We have had to impose constraints on our infrastructure accounts which include Real Property Maintenance and Real Property Services. Although readiness is protected as well as near term sustainability of facilities and quality of life, the magnitude of the backlog of maintenance and repair is a growing concern. Even after considering base closures, the backlog of real property maintenance and repair will grow to over \$2.3 billion at the end of fiscal year 1995. This is why it is extremely important that the Real Property Maintenance funding requested in the fiscal year 1995 budget be fully supported. Any further deferrals will accelerate facility deterioration to an unacceptable level and begin to seriously impact mission readiness and combat effectiveness.

NELLIS AFB HANGARS

Question. General McCarthy, I have been made aware that at Nellis Air Force Base there is a critical need to replace World War II vintage hangars that are in extreme states of disrepair. I am speaking specifically about Hangar 287. Can you give me an idea of what plans there are to resolve this problem?

Answer. Nellis AFB has several hangars originally built in World War II whose renovation has not kept pace with their aging conditions. The base has specifically identified Hangar 287 as unsatisfactory in their Commander's Facility Assessment. To resolve this problem, the base has submitted project RKM973005, Maintenance Hangar, as their number 3 priority in the FY 97 program at a cost of \$5.5 million to replace Hangar 287.

TRANSIENT EXERCISE DORMITORY AT NELLIS AFB

Question. Nellis plans to construct a transient exercise dormitory to house military personnel participating in Flag Exercises. For me, this is a quality of life issue for the men and women who serve their country. What can you tell me about the Air Force's plans for this facility and can you give me a time table for its construction?

Answer. The Nellis transient exercise dormitory is critically needed to allow air crews and support personnel participating in the flag exercises to be housed on-base. Currently, Nellis has a severe shortage of transient dormitory space, accommodating less than half of the average nightly demand of over 1000 bed space requirements. The personnel that cannot be accommodated on-base

are forced to off-base hotels and motels in the Las Vegas area which is not conducive to the training environment. Crew integrity is often lost. The Air Force strongly supports this project to improve quality of life for our personnel temporarily assigned to Nellis for training exercises; however, this project is primarily an economic driven initiative which will save approximately \$3.5 million per year in lodging reimbursements once all 460 rooms are available. The transient exercise dormitory is actually a six building complex programmed in three phases to accommodate a total of 535 visiting military personnel. The project in the FY 96 program, titled "Visiting Airmen Quarters," is the first phase to house 210 personnel at a programmed amount of \$9.9 million. This project, if approved, would have a contract award in the January-March 1997 timeframe with a 12 to 15 month construction period. The follow-on second and third phases are programmed in FY 97 and FY 98, respectively. The second phase will house 175 personnel at a programmed amount of \$8.5 million, and the third phase will house 150 personnel at a programmed amount of \$8.5 million. The entire dormitory complex as programmed will be completed by mid-2000.

RELOCATION OF THE 122ND FIGHTER WING

Question. On February 28, 1994, the Department of the Air Force announced that the 122nd Fighter Wing of the Air National Guard at Ft. Wayne, Indiana, would become the 122nd Air Refueling Wing. In this action, the wing would lose its F-16 fighters and receive 8-10 KC-135 aircraft. In order to implement this restructuring, the FY95 Department of Defense budget called for \$7.55 million in military construction to build facilities to house the KC-135 aircraft. This is the first step in a multi-year plan to spend \$27.399 million at Ft. Wayne for KC-135 facilities.

Only 50 miles away is Grissom Air Force Base which will be re-assigned as an Air Force Reserve Base in October, 1994. As an active duty base, Grissom had the capacity to house 50 KC-135 aircraft. Currently, the 434th Wing at Grissom has only 20 KC-135s, yet retains all of the maintenance, fueling and ramp facilities for 50 aircraft. Why should this subcommittee appropriate the \$7 million in this fiscal year to begin building KC-135 facilities at Ft. Wayne when ample facilities of this type already exist at Grissom only 50 miles away?

Answer. You are correct, the 122 Fighter Wing at Ft. Wayne, Indiana will become the 122 Air Refueling Wing as a part of the fighter drawdown directed in the SECDEF Bottom Up Review. Traditionally, Air National Guard units are an integral part of their respective communities and receive strong local support. The moving of an Air National Guard unit is very disruptive to the trust established between the National Guard Bureau, the unit and the local community. The existing ties to the community should not be severed. We have done some studying of both Ft. Wayne and Grissom. We have sent teams to both locations and are in the process of reviewing the total situation. We want to review both options very carefully to determine the full impact for the long term.

Question. Has the Air National Guard considered moving the 122nd Air Refueling Wing to Grissom in order to take advantage of these existing facilities? If not, why not?

Answer. Yes, the Air National Guard has considered the moving of the 122nd Air Refueling Wing to Grissom.

Question. Are there any operational considerations that would preclude this move?

Answer. We are concerned that moving this unit while undergoing an aircraft conversion will lengthen the conversion process, making this unit non-combat ready for an extended period of time. Also, the distractions of moving and the possible hiring of new aircrew members would require an even greater emphasis on flight safety during conversion.

Question. Does the Air National Guard have any reservations about co-locating units with the Air Force Reserve?

Answer. There are currently many locations where the ANG and the AFRES share many facilities as well as a common runway. To name a few, Dobbins AFB, GA (ANG—F-15s, AFRES—C130s), March AFB, CA (ANG—KC-135s, AFRES—C-141s and KC-135s), New Orleans, LA (ANG—F-15s, AFRES—F-16s) and there are many others. The Air National Guard (ANG) has no reservations about co-locating ANG flying units with Air Force Reserve (AFRES) flying units in the future. There are, however, some concerns about the ability of the two reserve components being able to recruit properly and to that end, we must assess available manpower in accordance with Title 10 U.S.C., para 2234. Additionally, agreements must be worked regarding base operating expenses such as water, electric, heat, etc. and what portion of personnel would be ANG regarding such things as fire fighting, tower, security police personnel, etc.

Question. Last spring the Base Closure and Realignment Commission (BRAC) approved a proposal to relocate the Chicago O'Hare Air Reserve Station from Chicago to another site in the state of Illinois. As of right now there has been no decision on where this base should go. Can you provide any information on the timeframe; when the relocation project should begin in order to be completed by the BRAC deadline of 1998? Do you know when this decision will be made?

Answer. The 1993 BRAC Commission did not direct the closure and relocation of O'Hare Air Reserve Station. Rather, the Commission set up a series of conditions precedents, which if fulfilled by the City of Chicago, would then result in the relocation of O'Hare. If the conditions are not met, O'Hare is not a closure base.

The BRAC 93 states that the closure/realignment must begin by July 1995 and be completed by July 1998. The City of Chicago will be required to demonstrate that it has the financing in place to cover the cost of relocating the Air Reserve Units to the new site. However, if a site other than the Greater Rockford Airport is proposed, the new site will require Secretary of the Air Force approval. On September 1, 1993 the City of Chicago provided the Air Force with a list of eight possible relocation sites, then added an additional site on October 6, 1993, and then another site on October 15, 1993. On October 29, 1993 the Air Force provided Recruiting and Retention data on the first nine relocation sites back to the

City of Chicago, with the tenth site data provided on December 22, 1993.

The City of Chicago needs to provide a formal proposal on the relocation site along with a commitment of funds in time to allow the development of agreements that will facilitate the start of the relocation process by July 1995. However, if a site other than Rockford is proposed, additional time should be allowed for the Secretary of the Air Force approval process.

As of this date the City of Chicago has not made a formal proposal to the Air Force on the proposed relocation of the Air Reserve Units from O'Hare.

[CLERK'S NOTE.—End of questions for the record submitted by Mrs. Vucanovich.]

[CLERK'S NOTE.—The following additional information was provided by the Air Force:]

SUMMARY PROJECT LIST
AIR NATIONAL GUARD
NEW MISSION VERSUS CURRENT MISSION - FY 1995

<u>LOCATION</u>	<u>PROJECT</u>	<u>COST (\$000)</u>	<u>NEW/ CURRENT.</u>
Birmingham MAP AL	Aircraft Parking Apron and		
	Hydrant Refueling System	15,000	N
	Communications Facility	1,700	N
	Add to and Alter Squadron		
	Operations Facility	1,100	N
Dannelly Field ANG AL	Upgrade Drainage System	2,500	C
	Replace Underground		
	Fuel Storage Tanks	700	C
Ft Smith MAP AR	Replace Underground		
	Fuel Storage Tanks	440	C
Fresno ANGB CA	Site Restoration	3,500	C
Moffett Fld CA	Alter Vehicle Maintenance		
	Facility	400	C
No Highlands CA	Replace Underground		
	Fuel Storage Tanks	400	C
Buckley ANGB CO	Aircraft Wash and Deicing		
	Apron	400	C
	Add to and Alter Fuel Systems		
	Maintenance Facility	1,300	C
Robins AFB GA	B-1 Consolidated Aircraft		
	Support and Hydrant Systems	9,400	N
	Alter B-1 Maintenance Hanger		
	and Shops	2,950	N
	B-1 Hangar Complex	8,400	N
Hickam AFB HI	Replace Underground		
	Fuel Storage Tanks	1,000	C
Boise ID	Upgrade Base Drainage	380	C
Fort Wayne, IN	Aircraft Deicing Apron	400	N
	Fuel Systems Maintenance and		
	Corrosion Control Facility	5,200	N
	Fire Station and AGE Shop	1,950	N

STATE/ COUNTRY	INSTALLATION AND PROJECT	AUTH/APPROP AMOUNT	DD FORM 1391 PAGE NO.
Georgia	Robins Air Force Base		
	B-1 Consolidated Aircraft Support and Hydrant Systems	9,400	b - 38
	Alter B-1 Maintenance Hanger and Shops	2,950	b - 40
	B-1 Hangar Complex	<u>8,400</u>	b - 42
	Sub-total Georgia	20,750	
Hawaii	Hickam Air Force Base		
	Replace Underground Fuel Storage Tanks	<u>1,000</u>	b - 46
	Sub-total Hawaii	1,000	
Idaho	Boise Air Terminal (Gowen Field)		
	Upgrade Base Drainage	<u>380</u>	b - 187
	Sub-total Idaho	380	
Indiana	Fort Wayne International Airport		
	Aircraft Deicing Apron	400	b - 188
	Fuel Systems Maintenance and Corrosion Control Facility	5,200	b - 52
	Fire Station and AGE Shop	<u>1,950</u>	b - 55
	Sub-total Site 94-03	7,550	
Kansas	Forbes Field ANG		
	Site Restoration and Fuel Storage Tank Removal	2,950	b - 60
	Upgrade Sanitary Sewer System	<u>670</u>	b - 62
	Sub-total Kansas	3,620	
Kentucky	Standiford Field ANG		
	Fuel Cell and Corrosion Control Facility	<u>2,950</u>	b - 67
	Sub-total Kentucky	2,950	
Maine	Bangor International Airport		
	Replace Underground Fuel Storage Tanks	840	b - 72
	Refueling Vehicle Maintenance Facility	<u>379</u>	b - 188
	Sub-total Maine	1,219	

1. COMPONENT ANG	FY 1995 MILITARY CONSTRUCTION PROJECT DATA (computer generated)	2. DATE
3. INSTALLATION AND LOCATION VARIOUS LOCATIONS - WITHIN THE UNITED STATES		
4. PROJECT TITLE PROJECTS \$400,000 AND UNDER - FY 95	5. PROJECT NUMBER VARIOUS	

<u>STATE AND LOCATION</u>	<u>PROJECT NUMBER</u>	<u>PROJECT TITLE</u>	<u>COST</u>
INDIANA			
Fort Wayne International Airport	PN ATQZ939866	Aircraft Deicing Apron	400
Provides a deicing apron that will protect the environment by collecting and separating deicing fluid for disposal or reuse and not allow it to pollute off base waterways. (Current Mission)			
MAINE			
Bangor International Airport	PN FKNN939775	Refueling Vehicle Maintenance Facility	379
Replaces the previous facility that was demolished for the expansion of the aircraft parking apron. It provides for the environmental controls that are critical with this type of facility. It also incorporates the required safety features. (Current Mission)			
MICHIGAN			
Alpena County Regional Airport	PN TDVG909582	Replace Underground Fuel Storage Tanks	385
Replace eleven underground fuel storage tanks to conform to EPA regulations, to preclude contamination of soil and aquifer, including all site work and restoration. (Current Mission)			
OHIO			
Springfield Beckley Municipal Airport	PN WAAR909534	Replace Underground Fuel Storage Tanks	400
Replace thirty underground fuel storage tanks to conform to EPA regulations, to preclude contamination of soil and aquifer, including all site work and restoration. (Current Mission)			

1. COMPONENT		FY 1995 MILITARY CONSTRUCTION PROJECT DATA (computer generated)		2. DATE	
ANG					
3. INSTALLATION AND LOCATION			4. PROJECT TITLE		
FORT WAYNE INTERNATIONAL AIRPORT INDIANA			FIRE STATION AND AGE SHOP		
5. PROGRAM ELEMENT	6. CATEGORY CODE	7. PROJECT NUMBER	8. PROJECT COST(\$000)		
55296F	730-142	ATQZ909768	\$1,950		
9. COST ESTIMATES					
ITEM	U/M	QUANTITY	UNIT COST	COST (\$000)	
FIRE STATION AND AGE SHOP	SF	14,900		1,424	
FIRE STATION	SF	10,600	110	(1,166)	
ALTER AIRCRAFT GROUND EQUIPMENT SHOP	SF	4,300	60	(258)	
SUPPORTING FACILITIES				350	
UTILITIES	LS			(200)	
PAVEMENTS	LS			(100)	
SITE IMPROVEMENTS	LS			(50)	
SUBTOTAL				1,774	
CONTINGENCY (5%)				82	
TOTAL CONTRACT COST				1,863	
SUPERVISION, INSPECTION AND OVERHEAD (5%)				93	
TOTAL REQUEST				1,956	
TOTAL REQUEST (ROUNDED)				1,950	
10. Description of Proposed Construction: Reinforced concrete foundation and floor slab. Walls of masonry with steel frame and roof structure. All utilities, pavements and site improvements. Alter existing building for aircraft ground equipment (AGE) shop. Relocate walls and utilities. Air Conditioning: 15 Tons.					
11. REQUIREMENT: 14,900 SF ADEQUATE: 0 SUBSTANDARD: 4,300 SF PROJECT: Fire Station and AGE Shop (New Mission). REQUIREMENT: This project supports the conversion from 18 F-16 to 8 KC-135 aircraft in fourth quarter 1995. An adequately sized and properly configured facility is required for operational and training purposes to support the crash rescue and training mission of the KC-135 aircraft. A secondary benefit is the mutual response agreement with the Municipal Airport Authority. The facility must contain adequate space for eight vehicle bays, control room, training, administrative functions, kitchen, dining, bunk rooms, locker rooms, bath/shower rooms, fire extinguisher maintenance area, and storage. Space must be adequate and properly arranged for both male and female fire fighters. CURRENT SITUATION: As a result of the KC-135 conversion, larger fire station and AGE facilities are required. The existing facility was constructed as a fire station/motor pool and can only accommodate four of the eight assigned vehicles. The kitchen, dining room and bunk room are combined into one room. Sleeping is impossible as part of the building is still utilized as an aircraft ground equipment (AGE) maintenance shop. There is no classroom available for training. The facilities are incompatible with a male/female fire fighting operation. The existing facility is structurally sound and free of asbestos. The vacated fire station area will be renovated to alleviate the space deficiencies					

1. COMPONENT	FY 1995 MILITARY CONSTRUCTION PROJECT DATA (computer generated)	2. DATE
ANG		
3. INSTALLATION AND LOCATION		
FORT WAYNE INTERNATIONAL AIRPORT INDIANA		
4. PROJECT TITLE	5. PROJECT NUMBER	
FIRE STATION AND AGE SHOP	ATOZ909768	
associated with the KC-135 aircraft ground equipment shop. <u>IMPACT IF NOT PROVIDED:</u> Training is hampered. Response to unit and airport emergencies will not be responsive. Equipment exposed to the elements suffers accelerated deterioration. Overall efficiency and morale continue to be affected. The mission of the fire fighters is compromised. The increased fire danger that accompanies a tanker aircraft, hydrant fuel supply system and the large quantities of fuel increases the chances of a disaster with the current situation. Unable to reach full operational capabilities.		

1. COMPONENT	FY 1995 MILITARY CONSTRUCTION PROJECT DATA (computer generated)	2. DATE
ANG		
3. INSTALLATION AND LOCATION		
FORT WAYNE INTERNATIONAL AIRPORT INDIANA		
4. PROJECT TITLE	5. PROJECT NUMBER	
FIRE STATION AND AGE SHOP	ATQZ909768	
12. SUPPLEMENTAL DATA:		
a. Estimated Design Data:		
(1) Status:		
(a) Date Design Started	91 SEP 12	
(b) Percent Complete as of Jan 94	95%	
(c) Date 35% Designed	93 MAR 15	
(d) Date Design Complete	94 FEB 15	
(2) Basis:		
(a) Standard or Definitive Design -		
(b) Where Design Was Most Recently Used -		
(3) Total Cost (c) = (a) + (b) or (d) + (e): (\$000)		
(a) Production of Plans and Specifications	90	
(b) All Other Design Costs	55	
(c) Total	145	
(d) Contract	145	
(e) In-house		
(4) Construction Start	95 JUL	
b. Equipment associated with this project will be provided from other appropriations: N/A		

1. COMPONENT ANG	FY 1995 MILITARY CONSTRUCTION PROJECT DATA (computer generated)			2. DATE
3. INSTALLATION AND LOCATION FORT WAYNE INTERNATIONAL AIRPORT INDIANA		4. PROJECT TITLE FUEL SYSTEMS MAINTENANCE AND CORROSION CONTROL FACILITY		
5. PROGRAM ELEMENT 56296F	6. CATEGORY CODE 211-179	7. PROJECT NUMBER ATOZ909914	8. PROJECT COST(\$000) \$5,200	
9. COST ESTIMATES				
ITEM	U/M	QUANTITY	UNIT COST	COST (\$000)
FUEL SYSTEMS AND CORROSION CONTROL	SF	27,600		3,721
FUEL SYSTEMS MAINTENANCE	SF	23,500	140	(3,290)
PLASTIC MEDIA STRIPPING SHOP	SF	1,600	105	(168)
SHOP SPACE	SF	2,500	105	(263)
SUPPORTING FACILITIES				950
UTILITIES	LS			(250)
PAVEMENTS	LS			(175)
SITE IMPROVEMENTS	LS			(75)
FIRE SUPPRESSION	LS			(250)
DEMOLITION	LS			(200)
SUBTOTAL				4,671
CONTINGENCY (5%)				234
TOTAL CONTRACT COST				4,905
SUPERVISION, INSPECTION AND OVERHEAD (5%)				245
TOTAL REQUEST				5,150
TOTAL REQUEST (ROUNDED)				5,200
10. Description of Proposed Construction: Reinforced concrete foundation and floor slab with masonry/insulated metal panel walls. Utilities, access pavements, site improvements, an oil/water separator, and fire suppression system shall be provided. Upgrade water supply for fire suppression. Demolish Buildings 755 (1,300 SF) and 716 (125,000 SF) for a total of 126,300 SF. Air Conditioning: 15 Tons.				
11. REQUIREMENT: 27,600 SF ADEQUATE: 0 SUBSTANDARD: 126,300 SF PROJECT: Fuel Systems Maintenance and Corrosion Control Facility (New Mission). REQUIREMENT: This project supports the conversion from 18 F-16 to 8 KC-135 aircraft in fourth quarter 1995. This is also a category II environmental compliance project. The base requires a facility for the environmentally safe repair of aircraft fuel cells and for the performance of corrosion control on aircraft parts both on and off the aircraft. Functional areas include fuel cell/corrosion control bay, fuel cell repair shop, support shop space, provisions for washing, paint spray area for painting large and small parts, training and administration areas. Apron access to the facility is necessary. Environmentally safe exhaust systems to prevent air pollution and an oil/water separator to prevent corrosion contaminates or fuel spills from entering the soil/aquifer or waste water system will be required. CURRENT SITUATION: The F-16 fuel cell is undersized and cannot be used by the larger KC-135. Due to space limitation it cannot be altered or expanded. The exhaust systems in the facility do not meet environmental air pollution standards. The present oil/water separator does not meet environmental standards and a large fuel spill would exceed the capacity				

1. COMPONENT ANG	FY 1995 MILITARY CONSTRUCTION PROJECT DATA (computer generated)	2. DATE
3. INSTALLATION AND LOCATION FORT WAYNE INTERNATIONAL AIRPORT INDIANA		
4. PROJECT TITLE FUEL SYSTEMS MAINTENANCE AND CORROSION CONTROL FACILITY	5. PROJECT NUMBER ATOZ909914	
of the existing system and damage the environment. The facility was built in 1977 and is structurally sound. It will be reused for supply storage during the conversion and converted to AGE and equipment storage eliminating the need to build one to satisfy this requirement. The proposed location for the new facility requires the demolition of two old, antiquated and excess warehouse storage facilities which are in the way of construction. <u>IMPACT IF NOT PROVIDED:</u> Fuel cell repair and training will have to be done outside on the ramp in an unsafe manner and in violation of technical orders. Maintenance will be delayed especially during the winter months. Inefficient training. Poor working conditions. The mission capability of the corrosion control shop and the health and welfare of its personnel will be adversely affected. Environmental statutes will be violated through air pollution, water pollution and soil contamination. Unable to reach full operational capability. <u>ADDITIONAL:</u> Due to operational requirements, an economic analysis was not accomplished.		

1. COMPONENT	FY 1995 MILITARY CONSTRUCTION PROJECT DATA (computer generated)	2. DATE
ANG		
3. INSTALLATION AND LOCATION		
FORT WAYNE INTERNATIONAL AIRPORT INDIANA		
4. PROJECT TITLE	5. PROJECT NUMBER	
FUEL SYSTEMS MAINTENANCE AND CORROSION CONTROL FACILITY	ATOZ909914	
12. SUPPLEMENTAL DATA:		
a. Estimated Design Data:		
(1) Status:		
(a) Date Design Started	93 SEP 01	
(b) Percent Complete as of Jan 94	35%	
(c) Date 35% Designed	94 JAN 20	
(d) Date Design Complete	94 AUG 01	
(2) Basis:		
(a) Standard or Definitive Design -		
(b) Where Design Was Most Recently Used -		
(3) Total Cost (c) = (a) + (b) or (d) + (e):		(\$000)
(a) Production of Plans and Specifications	190	
(b) All Other Design Costs	70	
(c) Total	260	
(d) Contract	260	
(e) In-house		
(4) Construction Start		95 AUG
b. Equipment associated with this project will be provided from other appropriations: N/A		

**TALKING PAPER
ON
DOD CONSTRUCTION (C-1) REPORT ERROR**

Issue:

- The C-1 Report identifies a project to replace underground fuel storage tank for \$440K at Arkansas. The proper location is Fort Smith Municipal Airport ANG.

Discussion:

- The site was incorrectly identified as Little Rock AFB on page "State-97" in the Report (Atch 1).
- The project was always at Fort Smith. An improper computer code identified the wrong site in the same state.
- The ANG FY95 MILCON book with 1391s correctly identifies the project as Fort Smith on page 20 (Atch 2).

Recommendation:

- Correctly identify project location Fort Smith during the committee markup.

2 Atch

1. State 97 Report
2. FY 95 Project Data

FY 1995 MILITARY CONSTRUCTION TOTAL OBLIGATIONAL AUTHORITY AS REQUESTED

ACTIVE GUARD AND RESERVE FORCES INSIDE THE UNITED STATES (\$ THOUSANDS)		DATA AS OF FEB 1994	
STATE/COMP./INSTALLATION	PROJECT NAME	PROJ COST	TOTAL
ALABAMA			
AIR FORCE			
MAXWELL AFB	STUDENT OPERATORIES	9,600	9,600
AIR NATIONAL GUARD			
BIRMINGHAM MAP	ACFT PARKING APRON & HYDRANT REFUELING SYS	15,000	
	ADAL SQUADRON OPERATIONS FACILITY	1,100	
	COMMUNICATIONS FACILITY	1,700	
	UPGRADE DRAINAGE SYSTEM	2,500	
	BIRMINGHAM MAP		20,300
DANNELLY FIELD	REPLACE UNDERGROUND FUEL STORAGE TANKS	700	700
	DANNELLY FIELD		700
**AIR NATIONAL GUARD			21,000
FAMILY HOUSING			
AIR FORCE			
MAXWELL AFB	FAMILY HOUSING (25 UNITS)	(2,100)	
MAXWELL AFB	FAMILY HOUSING		(2,100)
**ALABAMA			30,600
	FAMILY HOUSING		(2,100)
ALASKA			
AIR FORCE			
CAPE LISBURNE	UPGRADE FUEL STORAGE SYSTEM	2,800	2,800
DEFENSE MEDICAL SUPPORT ACTIVITY			
ELMENDORF AIR FORCE BASE	*HOSPITAL REPLACEMENT PHASE III	66,000	66,000
	ELMENDORF AIR FORCE BASE		(66,000)
	AUTHORIZED FOR APPROPRIATION IN PRIOR YEAR		
**ALASKA			68,800
	AUTHORIZED FOR APPROPRIATION IN PRIOR YEAR		(66,000)
FAMILY HOUSING			
ARIZONA			
AIR FORCE			
DAVIS-MONTHAN AFB	FAMILY HOUSING (120 UNITS)	(5,940)	
DAVIS-MONTHAN AFB	FAMILY HOUSING		(5,940)
ARKANSAS			
ARMY			
PINE BLUFF ARSENAL	AMMUNITION DEMILITARIZATION FACILITY	97,000	97,000
	PINE BLUFF ARSENAL		
AIR NATIONAL GUARD			
~~LITTLE ROCK AFB~~	Fort Smith Municipal Airport		
	REPLACE UNDERGROUND FUEL STORAGE TANKS	440	440
	LITTLE ROCK AFB		
**ARKANSAS			97,440

* AUTHORIZED FOR APPROPRIATION IN PRIOR YEAR

1. COMPONENT		FY 1995 MILITARY CONSTRUCTION PROJECT DATA (computer generated)		2. DATE	
ANG					
3. INSTALLATION AND LOCATION			4. PROJECT TITLE		
FT SMITH MUNICIPAL AIRPORT ANG ARKANSAS			REPLACE UNDERGROUND FUEL STORAGE TANKS		
5. PROGRAM ELEMENT	6. CATEGORY CODE	7. PROJECT NUMBER	8. PROJECT COST(\$000)		
56256F	124-135	HKRZ909635	\$440		
9. COST ESTIMATES					
ITEM		U/M	QUANTITY	UNIT COST	COST (\$000)
REPLACE UNDERGROUND FUEL STORAGE TANKS		LS			320
SUPPORTING FACILITIES					64
UTILITIES		LS			(8)
PAVEMENTS		LS			(8)
SITE RESTORATION		LS			(48)
SUBTOTAL					384
CONTINGENCY (10%)					38
TOTAL CONTRACT COST					422
SUPERVISION, INSPECTION AND OVERHEAD (5%)					21
TOTAL REQUEST					443
TOTAL REQUEST (ROUNDED)					440
10. Description of Proposed Construction: Replace 8 tanks and remove one only. Excavate and remove the tanks. Dispose of the tanks, tank residue, and the contaminated soil. Restore the sites.					
11. REQUIREMENT: As required.					
PROJECT: Replace Underground Fuel Storage Tanks (UST) (Current Mission).					
REQUIREMENT: This is a level II environmental compliance project.					
Upgrade all USTs regulated by 40 CFR 280 to new construction standards. The Federal Environmental Protection Agency (EPA) has set standards that require that all regulated USTs to have leak detection, corrosion protection, and spill/overflow prevention systems by December 1998. If USTs are to be replaced, it is Air Force policy to replace them with above ground tanks or to relocate them into underground vaults if possible.					
CURRENT SITUATION: The USTs at this base have exceeded their design lives and are in need of replacement. All tanks are out of compliance with the 1998 EPA standards. All the regulated USTs require annual tightness testing, daily fluid level monitoring and monthly inventory reconciliation and control. If these tasks are not performed, the base is subject to notice of violation by the Federal and/or State EPA.					
IMPACT IF NOT PROVIDED: Non-compliance with Statutes. The State and County may issue restraints and/or Notices of Violations and fines. Any leakage could have the potential to contaminate the soil and aquifer. The ANG training could be curtailed and the ANG could receive unfavorable publicity.					

[CLERK'S NOTE.—Questions for the record submitted by Mrs. Meek:]

MILCON AT PATRICK AFB

Question. Reports have come to my attention that there may be military construction at Patrick Air Force base designed to provide additional facilities to accommodate the 301st. It would be the height of folly to place construction of temporary facilities for a temporarily-assigned unit before construction of the permanent facilities that will be needed for the return of the 301st. Will you therefore provide the committee, for the record, with a listing of all military construction projects that are currently underway at Patrick AFB, including any that are in the specifications development, planning, design, engineering, and construction phases.

Answer. There were no Military Construction projects at Patrick to accommodate the 301st, however the Reserve spent \$3.4M of supplement reserve O&M funds to implement the temporary bed-down of the 301st. This provided the absolute minimum facility support they required until their return to Homestead in FY 97. The active Air Force has not spent any money to beddown the 301st. The following information is provided for the record.

	FY Project Title	Scope	(\$000)	Status
93	Replace family housing	250 Units	22,500	CNST.
93	Regional sewer connection	Lump Sum	7,700	100% DSG.
93	Improve family housing	60 Units	3,174	100% DSG.
94	Underground fuel storage tanks	44	1,850	CNST.
94	Replace family housing	155 Units	15,388	100% DSG.
95	Replace family housing	75 Units	7,145	100% DSG.

Question. Provide a sublist of any and all of the above MILCON projects that are for the use of the 301st Rescue Squadron.

Answer. No military construction projects at Patrick AFB support the 301st Rescue Squadron.

MILCON TO SUPPORT THE 301ST AT HOMESTEAD

Question. Mr. Boatright, something on page 3 of your testimony caught my eye. You said, "As we sit here today, the Air Force is collecting data necessary to support the analysis for BRAC 1995." I am extremely concerned about what this procedure at this time may mean for the return of the 301st Air Rescue Squadron to Homestead Air Force Base. The BRAC '95 process may be manipulated—or at least skewed—by giving the impression that there is nothing at Homestead AFB to support the 301st.

As I understand it, as of this date, the military construction needed to support the 301st is only in the design stage. Inputs for BRAC have to be submitted by July of this year; but as of that date, the 301st can very truthfully check off the "zero" in the facilities column of the report, because there are no facilities for the 301st at Homestead AFB at the present time; construction won't even begin until late this year; and construction won't even be completed AT THE PRESENT RATE until mid-1996 at the earliest.

My concern is that the BRAC process can be influenced at the early staff level by virtue of the information made available by DOE. My concern is that BRAC will be encouraged to use perfectly

accurate—but misleading—information to justify simply writing off the design work that has been done so far at Homestead and re-directing the 301st to some other base—say, Patrick AFB.

Can you give me assurances that the information submitted to BRAC '95 will faithfully and accurately reflect that the military construction needed to support the 301st at Homestead has been delayed because of the Air Force's own decisions?

Answer. The Air Force has every intention of complying with the Defense Base Closure and Realignment Commission recommendation to relocated the 301st Air Rescue Squadron to Homestead as soon as the necessary facilities are complete. Of the supplemental appropriation for restoration of Homestead, the Air Force identified \$18.83 million for support of the 301st. Another \$16.44 million of construction will support requirements common to both the 301st and the 482 FW. The Air Force has not deliberately delayed the construction at Homestead. Rather, we are continuing to work the design and construction in a timely manner consistent with the normal construction process. Remaining deficiencies will be programmed, consistent with budget priorities, in future years. The remaining facility deficiencies will not keep the 301st from relocating to Homestead and our plans continue to be the return of the 301st in October 1996.

FAST-TRACK MILCON AT HOMESTEAD AFB

Question. Last year when you appeared before this committee, you said that you were prepared to expedite both design and construction of projects at Homestead AFB. You said that "I think we are ready to do some concurrent design and construction using a fast-track approach." My concern, as you see from my first question, is that fast-tracking didn't work in terms of the construction needed for the 482nd Fighter Wing's return to Homestead; deadlines slipped, and there is still a lot that needs to be done. My question is, can you make that fast-track approach work for construction of the facilities needed for the return of the 301st? Are you ready today to do some concurrent design and construction work on these projects at Homestead?

Answer. First of all, the fast-track approach for construction of facilities needed for the 482nd Fighter Wing's return to Homestead did work. Although other facilities will still be constructed to support the 482nd, those facilities are not needed immediately and did not prevent the 482nd from returning to Homestead. In fact, the 482nd returned five days prior to their scheduled return date of April 1, 1994. Since the fast-track approach worked so well for the 482nd, we will pursue a similar fast-track approach to expedite construction of the 301st facilities. We will follow a "design/build" strategy, which means we will hire Architectural and Engineering (A/E) firms to design the facilities, and those same A/E firms will subcontract construction firms, usually ones already tied to the A/E firms, to actually build the facilities. The A/E firms will remain on-board to monitor construction and resolve any problems that may arise. This "design/build" process will cut months from the standard practice of hiring A/E firms to design the facilities, and then selecting construction firms without input from the A/E firms.

Question. Will you give the committee for the record a listing of the essential projects that need to be completed at the minimum before the 301st Air Rescue Squadron can return to Homestead AFB?

Answer. The facilities that must be in place before the 301st can return to Homestead are listed below:

1. HH-60 Helicopter Maintenance Hangar (\$3.05 million);
2. HC-130 Fuel Systems Maintenance Hangar (\$4.55 million);
3. HC-130 Maintenance Hangar (\$3.25 million);
4. 301st Headquarters/Squadron Operations Facility (\$3.10 million);
5. Pararescue Facility (\$1.85 million);
6. Avionics/ECM Shop (\$1.15 million);
7. Engine Inspection & Repair Shop (\$0.91 million);
8. Survival Equipment Shop (\$0.97 million).

Question. Will you please provide for the record a listing of the total number of projects that need to be completed for the return of the 301st Air Rescue Squadron to Homestead AFB?

Answer. The following lists all the projects that will support the 301st Air Rescue Squadron at Homestead AFB:

1. HH-60 Helicopter Maintenance Hangar (\$3.05 million);
2. HC-130 Fuel Systems Maintenance Hangar (\$4.55 million);
3. HC-130 Maintenance Hangar (\$3.25 million);
4. 301st Headquarters/Squadron Operations Facility (\$3.10 million);
5. Avionics/ECM Shop (\$1.15 million);
7. Engine Inspection & Repair Shop (\$0.91 million);
8. Survival Equipment Shop (\$0.97 million);
9. Repair Physical Fitness Center (\$1.40 million);
10. Add/Alter Communications Facility (\$1.00 million);
11. Repair and Alter Vehicle Maintenance Facility (\$2.30 million);
12. Infrastructure (\$5.90 million);
13. Medical Training Facility (\$2.70 million);
14. Security Police Facility (\$0.94 million);
15. Small Arms Firing Range (\$1.10 million);
16. Fire Fighter Training Facility (\$1.10 million).

Question. Will you please provide for the record a listing of the projects that you will fast-track and on which you will use "concurrent design and construction" approaches?

Answer. We will fast-track all of the projects needed to support the 301st Rescue Squadron. The projects have been grouped into five "like facilities" packages. Five separate Architectural and Engineering (A/E) firms will be selected, each experts in the design and construction of the facilities in their particular package. In this way, the five A/E firms can design and construct the facilities in their packages concurrently. The projects within each of the five facilities packages needed to support the 301st are listed below:

301ST RESCUE SQUADRON AREA PACKAGE

1. HH-60 Helicopter Maintenance Hangar (\$3.05 million);
2. HC-130 Fuel Systems Maintenance Hangar (\$4.55 million);
3. HC-130 Maintenance Hangar (\$3.25 million);
4. 301st Headquarters/Squad Ops Facility (\$3.10 million);

5. Pararescue Facility (\$1.85 million);
6. Avionics/Electronic Countermeasures Shop (\$1.15 million);
7. Engine Inspection and Repair Shop (\$0.91 million);
8. Survival Equipment Shop (\$0.97 million).

RENOVATE FACILITIES PACKAGE

1. Repair Physical Fitness Center (\$1.40 million);
2. Add/Alter Communications Facility (\$1.00 million);
3. Repair/Alter Vehicle Maintenance Facility (\$2.30 million).

INFRASTRUCTURE PACKAGE

1. Infrastructure (\$5.90 million).

ADMINISTRATIVE AREA PACKAGE

1. Medical Training Facility (\$2.70 million);
2. Security Police Facility (\$0.94 million).

TRAINING AREA PACKAGE

1. Small Arms Firing Range (\$1.10 million);
2. Fire Fighter Training (\$1.10 million).

HYDRANT FUEL SYSTEM

Question. I am concerned about the readiness of the 482nd Fighter Wing and 301st Air Rescue Squadron—and other military aircraft that may need to stage at Homestead AFB—to deploy on a timely and effective basis in the event of war, national emergency or humanitarian mission. It is true that, in the event of certain realistically foreseeable national emergencies or contingencies that may require the use of Homestead AFB, that speedy refueling of aircraft may be desirable, or even crucial for success?

Answer. Speedy refueling of aircraft in a contingency situation is always desirable and is certainly one of numerous factors contributing to a successful mission. However, the ability of the 482nd Fighter Wing and 301st Air Rescue Squadron to meet planned deployment schedules is not degraded by the lack of an operational hydrant system.

Question. It is true that, in the event of contingencies that are foreseeable and certainly possible, that many military aircraft—including large tankers like KC-10s and cargo planes like C-141s from other units around the country may have to use Homestead AFB as a refueling and “stepping off” point?

Answer. In the past, Homestead AFB has been used as a refueling and “stepping off” point for many contingencies. Once the repairs and construction for the return of the 482nd FW and 301st ARS are completed, the Air Force may again use Homestead for contingency operations. Decisions on the use of Homestead for future contingencies have not been finalized. The single hydrant system currently planned for Homestead is designed to enhance the ability of the assigned units to accomplish their mission. This hydrant system is designed to refuel large aircraft but is not intended to return Homestead to its former contingency capabilities.

Question. Isn't it also true that the Florida Air National Guard has an air defense alert mission that requires their F-16s to be available 24 hours a day, 7 days a week?

Answer. Yes, the Air National Guard has two F-16 aircraft on air defense alert at Key West Naval Air Station. The alert detachment will be relocated back to Homestead Air Force Base when the necessary facilities are ready.

HOMESTED AFB, FL

Question. My concern is with the fueling system that would be used to refuel these aircraft in time of national emergency. Homestead will have 6 fuel trucks. Each of these trucks will have to travel 3 miles round-trip—a lot of time. I understand it requires about 16 fuel trucks to fill up one C-141. At that rate, it would take about 3 hours to fill up one of these aircraft. I understand that a hydrant-type fueling system would allow you to pump fuel into a jet on the apron right out of the ground. Such a system would cut refueling times from engine shutdown to engine restart from 3 hours to about 30 minutes. Does that sound about right? Could such a system also be used to "hot pit" fuel in an emergency?

Answer. A fuel hydrant system does enhance refueling capability and is the preferred method of refueling large aircraft. A KC-10 normal fuel load is 52,000 gallons and a C-141 normal fuel load is 23,593 gallons. Homestead AFB currently has six R-9 refuelers with a capacity of 5,000 gallons each. If the KC-10 or C-141 were to take a full fuel load it would take approximately 10.5 trucks and 5 trucks respectively. Travel to and from the refueling unit fillstand is in fact approximately a 3-mile round trip to the ANG side of the flightline. However, it is approximately 500 yards from the 482 FW aircraft parking area. The USAF recognizes the value in hydrant refueling large aircraft and quick turning (hot pit) fighter aircraft using a hydrant system. We have transferred a Type IV hydrant system from Tyndall AFB, FL to Homestead AFB to install adjacent to the 482 FW side of the base. The project to install the system, including an additional line to service large aircraft, will cost approximately \$20M. We are awaiting funding for this MILCON project.

Question. Would such a system enhance the ability of Homestead AFB to support contingency operations in the event of a national emergency?

Answer. A hydrant system would enhance the refueling capability at Homestead AFB by providing the means to rapidly refuel aircraft.

PHYSICAL FITNESS CENTER

Question. Does the Air Force Reserve have a requirement that its personnel maintain a high level of physical fitness so that they will be prepared for whatever the demands are in time of national emergency?

Answer. Yes. Personnel within the Air Force Reserve are expected to be as physically fit as their Active Air Force counterparts.

Question. I understand that AFRES is getting other former active duty bases, like Carswell and Bergstrom, which fortunately have full physical education facilities. Homestead Air Force Base is

in the same boat. It will be a former active base that will become a Reserve Base. What are your plans to provide physical fitness facilities for the nearly 3,000 reservists at Homestead AFB?

Answer. \$1.40 million of the emergency supplemental funds will fund a MILCON project to repair the Physical Fitness Center at Homestead AFB. This fitness center will ensure the 3,000 reservists at Homestead AFB remain physically fit.

BILLBACKS

Question. The Appropriations Committee's Survey and Investigations staff has been investigating the U.S. Army Corps of Engineer's practice known as "billbacks". Billbacks are charges that Corps Headquarters charges against Military Construction projects. The charges have been used to fund Corps Headquarters projects. The charges have been used to fund Corps Headquarters activities that avoid the scrutiny of Congress. The S&I report indicated that Military Construction projects may be taking a "bigger hit" than civil works projects do. I am concerned about this practice for two reasons: First, it is a practice that has been hidden from this committee and from Congress; and second, it may mean that you have fewer dollars available for your military construction projects. Can you comment on this problem? Could you provide for the record the percentage of FY93 Air Force and Air Force Reserve project funds that were "billbacks" to Headquarters, Corps of Engineers and the anticipated percentage for FY94 for either "billbacks" or "centrally administered accounts" to Headquarters, Corps of Engineers.

Answer. The Air Force does not have access to the specific information requested. As our design and construction agent, we work with the Corps of Engineers to establish project planning, design, management and construction costs. We do not track detailed internal Corps of Engineers accounting procedures.

[CLERK'S NOTE.—End of questions for the record submitted by Mrs. Meek.]

[CLERK'S NOTE.—Questions for the record submitted by Mr. Dixon:]

AIR FORCE HOUSING IN LOS ANGELES

Question. Last year \$2 million was appropriated for the initial costs of building affordable housing for Air Force officers on property deeded to the Air Force by the Los Angeles Unified School district. The funds appropriated were intended to be used for planning and design, and for preparation of an environmental impact statement. What is the current status of the project? Has the Air Force made a determination as to the number of housing units that will be needed at the site?

Answer. The base is currently in the process of preparing an Environmental Impact Statement (EIS). The Air Force has determined 150 units are required.

Question. Over the years the Air Force has identified the absence of affordable housing as a problem in the Los Angeles area. Recognizing the need for the government to provide adequate housing for its servicemembers, why is there no funding budgeted for affordable housing for the L.A. Air Force Base in the fiscal year 1995

budget? Does the Air Force have plans to request construction funds in the future?

Answer. As a result of budget constraints and higher competing priorities, the Air Force has not included the project in the FY 95 budget. The Air Force is planning to include the project in the future year, possibly in FY 98.

[CLERK'S NOTE.—End of questions for the record submitted by Mr. Dixon.]

[CLERK'S NOTE.—Questions for the record submitted by Mr. Hobson:]

AFFECT OF DOWNSIZING AND BASE CLOSURE ON MILCON

Question. Conversely, how do downsizing and base closure affect the military construction request?

Answer. It is important for the Air Force that this next closure round result in a number of additional base closures. We have reduced our force structure to the point it cannot absorb additional budget cuts, instead we must reduce our infrastructure so that the funds we do receive can maintain our physical plant in an excellent manner. As we downsize and adjust to a new smaller Air Force, it seemed prudent to only invest in absolutely essential projects. As a result, this year's MILCON is significantly smaller than past years. Once stabilized, however, we anticipate funding levels to again increase so that the facilities and infrastructure may be properly maintained.

POSSIBLE MILCON FOR 907TH AFR AIRLIFT GROUP

Question. It was announced that the 907th Air Force Reserve airlift group at Wright-Patterson Air Force Base will expand and, presumably, allow the transfer of up to two-thirds of the 906th. Will the 907th need any military construction projects to accommodate this expansion?

Answer. We are not sure at this time if any military construction projects would be needed to accommodate the expansion of the 907th Airlift Group. It is entirely possible that, with the 4950th Test Wing's move to Edwards Air Force Base in California, facilities may be available for use by the 907th. These facilities are adjacent to those currently occupied by the 907th Airlift Group and are adequately sized to support C-141 type aircraft. However, these facilities are owned by the host base, and the Active Air Force may have a use for them. In addition, we are not sure if these facilities are adequately configured to support the 907th expanded mission. We are planning a site survey from March 21st through March 25th of this year to answer the many questions we have concerning the facility requirements of the expanded 907th Airlift Group.

MEDICAL TRAINING AND DINING HALL FACILITY, SPRINGFIELD, OHIO

Question. General Shepperd and I also corresponded about a \$3.2 million Medical Training and Dining Hall Facility for Springfield which the Air Force strongly supports. This project was identified in 1989, originally scheduled for fiscal year 1993, and currently scheduled for fiscal year 1997. The design package is ready for Ar-

chitect and Engineer (A&E) services. Have I represented the Air National Guard's position correctly?

Answer. The estimated cost for this project is now \$4.3 million plus \$400,000 for design. We have asked the unit for a project book detailing the functional requirements of the project. The project book will be used in negotiations with an Architect-Engineer firm and is the basis for the design. The unit is working to develop the project book.

Question. This project has been delayed by the moratorium and threat of base closure. The Base Closure Commission took Springfield off last year's base closure list and the project should go forward now. I recently wrote to General Shepperd asking that the A&E work start right away. Can this be accomplished?

Answer. The medical training and dining hall is the base's number one priority project. We have directed them to prepare a project book which identifies the projects requirements so that design can be initiated.

MILCON FOR WRIGHT-PATTERSON AFB

Question. Only one small project is requested for Wright-Patterson Air Force Base in fiscal year 1995. Granted that some fiscal year 1995 projects were done in fiscal year 1994, are there not projects which can be accelerated from future years into 95?

Answer. There are three projects in the FY 95 Military Construction Program at Wright-Patterson AFB; Upgrade Storm Drainage System (\$3.35M), Improve Family Housing Management Office (\$250K) and Improve Family Housing (4.7M/91 units). There are valid projects that can be moved forward but because of budget constraints the FY 95 Military Construction Program was severely limited. We will try to fund these projects in future year Military Construction programs if funding levels permit.

[CLERK'S NOTE.—End of questions for the record submitted by Mr. Hobson.]

[CLERK'S NOTE.—Questions for the record submitted by Mr. Dicks:]

MCCHORD AFB CLEAR ZONE

Question. Please describe the current limitations imposed by limits on the clear zone at the north end of McChord Air Force Base (AFB).

Answer. Current Air Force limitations imposed on the clear zone at the north end of McChord AFB, apply only to the 156.5 acres acquired by the Air Force. Fifty and one-half acres have not been acquired to date by the Air Force and are still privately owned. Air Force clear zone limitations do not apply to the 50.5 acres not yet acquired (However, the Air Force encourages compliance).

Limitation imposed on clear zone land acquired by the Air Force include:

- a. Residential uses are prohibited;
- b. Manufacturing/industrial uses are prohibited;
- c. Commercial/service uses are prohibited;
- d. Recreational/cultural uses are prohibited;
- e. Agricultural/extraction activities are restricted;
- f. Transportation/utility facilities are restricted;

g. Clear zone uses that release any substance into the air that would impair visibility or otherwise interfere with operating aircraft, such as, but not limited to, steam, dust, and smoke, are prohibited;

h. Uses that produce electrical emissions, which would interfere with aircraft and Air Force communications or navigational aid systems, or aircraft navigation equipment, are prohibited;

i. Uses that produce that emissions either direct or indirect (reflective) which might interfere with pilot vision, are prohibited;

j. Uses that would unnecessarily attract birds or waterfowl such as, but not limited to, operation of sanitary landfills, maintenance of feeding stations, or growing certain types of crops or vegetation, are prohibited;

k. Explosives must be excluded from the clear zone as described in applicable regulations;

l. Building on newly acquired land within the clear zone must be demolished or relocated outside the clear zone and rubble must be removed.

Existing Air Force facilities and land uses may continue in the clear zone; however, replacement facilities should be programmed as part of the normal planning and programming process and must be sited outside the clear zone. Efforts should continue to relocate people-intensive facilities, and facilities for other than flight operations outside the clear zone where possible. Exceptions to this would be navigational aids and essential operational requirements which because of their function, need to be sited in the clear zone for optimum performance. Major Command Civil Engineers must approve alterations, minor additions, or improvements of existing Air Force facilities in the clear zone.

Question. Does the Air Force view this as a serious problem that could be a factor in base closure deliberations?

Answer. Existing and future community encroachment is a factor that is graded under Criterion II of the DoD selection criteria; Availability and Condition of Land, Facilities, and Associated Airspace at Both the Existing and Potential Receiving Locations. In the 1993 analysis process, McChord AFB was rated Red for current and future encroachment in the accident potential zones. Red is the lowest rating for retention of a base using a Red, Yellow, or Green scale. Overall, McChord was rated Yellow minus for Criterion II. The 1995 analysis process will look at similar characteristics, but since some of these scores are relative to other installations and all will be based on newly gathered data, there can be no prediction as to how this criterion will be scored.

Question. What are current Air Force plans to acquire lands north of McChord to deal with the clear zone deficiency?

Answer. Acquisition of fee, or lesser interests, if feasible, over 50.55 acres of private land is proposed for inclusion in the Fiscal Year 1988 Military Construction Program. The Corps of Engineers, at our request, is not preparing an estimate of the acquisition cost. In 1983, the estimated cost was \$20 million.

[CLERK'S NOTE.—End of questions for the record submitted by Mr. Dicks.]

THURSDAY, MARCH 24, 1994.

FISCAL YEAR 1995 EUROPEAN CONSTRUCTION PROGRAM

WITNESS

GENERAL GEORGE A. JOULWAN, USA, COMMANDER IN CHIEF, U.S. EUROPEAN COMMAND

STATEMENT OF THE CHAIRMAN

Mr. HEFNER. The Committee will come to order.

Today we will discuss the NATO Infrastructure program, the European construction program and related policies dealing with this part of the world.

We have with us today General George A. Joulwan, Commander in Chief, United States European Command.

General, we are glad that you can take the time out of your busy schedule to be with us. I understand you were with the Armed Services Committee yesterday.

General JOULWAN. Yes, sir.

Mr. HEFNER. This morning we will be meeting in Secret session. We have already voted earlier. So anyone not having a Secret clearance will have to leave.

It is a pleasure to have you with us today, sir. Your entire statement will be part of the record. There probably will be other Members joining the group later. You can proceed and summarize. Your entire statement will be part of the record.

STATEMENT OF GENERAL GEORGE A. JOULWAN

General JOULWAN. Thank you very much, Mr. Chairman, distinguished Members of the Military Construction Subcommittee of the House Appropriations Committee. I am indeed honored to appear before you today to testify on military strategy and the military construction requirements of the United States European Command.

At the outset, let me thank this Committee and particularly you, Mr. Chairman, on behalf of the men and women of EUCOM and their families for your support for efforts in Europe and NATO as well as in our area of responsibility, in the Middle East and Africa.

Mr. Chairman, I have been Commander of European Command and Supreme Allied Command of Europe for five months now. But this is my fifth tour, my 15th year in Europe in the last 33 years, and I must say there have been significant changes since my departure in 1990.

In order to put the military construction requirements for my theater in perspective, I would like to share with you my initial assessment of the theater of operations. By so doing, I hope you will

grasp the importance and complexity of our mission and the significance of MILCON's support for the readiness of our force and the quality of life for our troops and their families.

I would like to briefly summarize my statement for the record, and do that by making a few points, Mr. Chairman.

The first one is, to make it clear that a U.S. forward-deployed force in Europe is clearly in the vital interests of the United States of America. Twice in this century we have fought world wars in Europe. Millions of people were killed and trillions of dollars were spent in the prosecution and aftermath of these wars.

What has kept the peace and prevented another war in Europe has been the strength of the NATO alliance and the leadership of the United States of America. The tearing down of the Berlin Wall and the collapse of communism five years ago were tremendous accomplishments, but did not eliminate the need for U.S. involvement in Europe. The challenge now is to define a strategy to protect U.S. interests in Europe and consolidate the gains of democracy.

Clearly that will take a strategy every bit as important as the one that led to the historic events of 1989 and 1990.

The second point is related to the first, and that is that the world is still a dangerous place. EUCOM is today engaged in four lesser regional contingencies. Three are in support of U.N. Security resolutions I have been directed to implement. All four contingencies put U.S. troops in harm's way.

Equally important, these contingencies need to be properly funded or else the forward-deployed commander takes it out of readiness and quality of life, and the troops suffer.

In addition to the contingencies engaged in in Europe I am concerned about the conflict and potential conflict in Africa. While our resources are limited, we are engaged in Africa in support of U.N. ambassador with medical and construction exercises and other training opportunities.

Mr. Chairman, NATO today is operational, and NATO is out of area. In all four lesser regional contingencies, our European allies are directly involved. U.S. forward-deployed forces in Europe, even though at much more reduced levels, give the United States influence, access and leverage in NATO.

Let me be more specific about these operations. First is Operation Provide Comfort—a humanitarian relief for the Kurds in northern Iraq. It began at the end of Desert Storm and next month we will celebrate three years of operations. Thousands of lives have been saved over the past three years. Most important, British, French, Turkish and U.S. aircraft are involved and over 22,000 sorties have been flown to date.

Operation Provide Promise is a humanitarian relief effort for the former Yugoslavia and particularly for the besieged people of Bosnia and Herzegovina. The United States, France, and Germany provide aircraft and airdrop provisions to help feed thousands of citizens.

A few months ago Provide Promise surpassed the Berlin Airlift as the longest humanitarian airlift on record.

Operation Sharp Guard is a maritime embargo against Serbia-Montenegro in support of U.N. Security Council resolutions. Sharp

Guard is a NATO operation, under NATO command and control and NATO operational procedures.

Most important, 80 percent of the ships involved are allied and 20 percent are from the United States. And to date, over 27,000 ships have been challenged in Sharp Guard operations.

Deny Flight is an air denial operation over Bosnia-Herzegovina in support of U.N. Security Resolution 816. Deny Flight is also a NATO operation; and over 65 percent of the aircraft involved are allied, and 35 percent U.S.

There have been numerous helicopter but no fixed-wing violations until 28 February when six fighter aircraft were engaged when conducting a bombing attack on a Bosnia village. Four of the six were identified, intercepted and shot down by NATO aircraft. They included NATO AWACS and U.S. F-16s.

In my NATO position as Supreme Allied Commander, I can also attest to the dramatic changes taking place in the alliance as 16 nations attempt to adapt the alliance to the challenges of the post-Cold War period. These challenges include streamlining its command and force structure, task organizing into multinational rapid reaction forces, and new initiatives such as Partnership for Peace and Combined Joint Task Force Headquarters.

But while change takes place in NATO, the solidarity, the mutual trust and confidence and the transatlantic link with the United States must remain.

In my opinion, NATO is as relevant today as it was in the past. The recent success in stopping the shelling of Sarajevo is directly attributable to the expressed political will of the 16 nations of NATO.

The recent shoot-down of four Serbian aircraft bombing Bosnian villages was the result of 40 years of cooperation and NATO tested and procedures.

Because of NATO support for U.N. forces on the ground in Bosnia-Herzegovina, there is now real momentum for peace in this region that has known so much tragedy. Vital services are being restored in Sarajevo. A U.N. convoy with NATO aircraft overhead recently reached the besieged city of Maglaj. The peace settlement signed in Washington appears to be holding.

Let me add that military force alone will not bring peace to Bosnia. But military force underpinning solid political initiatives to forge a negotiated settlement can be productive. I am guardedly optimistic.

Another new initiative that needs to be mentioned is the U.S.-initiated, NATO-approved Partnership for Peace proposal. This initiative was introduced by President Clinton at the January NATO summit in Brussels. The intent of Partnership for Peace is to reach out to former countries of the Warsaw Pact and non-aligned countries, and work with them in interacting with NATO forces. Each partner nation will design its own work plan and move it at its own speed.

Some may want to conduct joint seminars, others defense planning, and still others may want to participate in training exercises.

The issue of whether a new partnership achieves full membership into NATO is a political one, and will be decided by the North Atlantic Council. However, I see Partnership for Peace as a great

opportunity to interact with the militaries of new partnership states. In doing so, common procedures, common standards and common doctrine can be developed, and interaction would be extremely beneficial if these forces were involved with NATO in future peace-keeping operations.

A significant number of countries have signed up for Partnership for Peace, to include Romania, Lithuania, Poland, Estonia, the Ukraine, Hungary, Slovakia, Latvia, and Bulgaria, Albania, the Czech Republic, Moldova, and yes, Georgia. Russia may soon sign and Sweden and Switzerland have shown interest, as have several other countries.

EUCOM's military-to-military cooperation program and the Marshall Center in Germany will undergird the partnership mission. The Marshall Center's mission is to foster understanding and cooperation on defense matters and to educate officials from the states of our former adversaries in the Warsaw Pact. It is part of our preventive engagement strategy, and I need your support for funding this program.

In support of the mandates of the January summit and the readiness of the current force structure, I urge approval by this committee of the budget request for \$219 million for the NATO Infrastructure Program. The NATO Infrastructure Program is truly a leveraged investment for the United States. A U.S. investment of approximately 28 cents in the NATO Infrastructure Program buys \$1 worth of mutual defense, of which 35 cents is spent on U.S. programs.

We have made great strides in the past few years in changing the focus of the U.S.-NATO Infrastructure Program from the previous Cold War priorities to one of meeting emerging readiness requirements in the theater. Some examples include funding operational facilities for U.S. forces outside CONUS, Command and Control Systems for the security of residual nuclear weapons, enhancing mobility and flexibility in NATO's air, ground and naval forces by surveillance, reconnaissance, intelligence, and the maintenance of POMCUS sites in Europe.

Previously, these costs for maintained and POMCUS stocks were borne solely by the United States.

In many respects Russia is the key to stability to Europe. Clearly Russia is in a state of transition. There is a great deal of instability and uncertainty in the country. As it transitions from a totalitarian state to hopefully a democratic one, the United States and NATO need to assist in that effort.

EUCOM's military-to-military program includes Russia. The intent is not only to exchange officers and hold seminars, but also to engage in training exercises this year.

Again, I ask for your support of our military-to-military program. Let me add that Reserve component forces are making significant contributions to EUCOM's military-to-military cooperation program as well as its support of the lesser regional contingencies I mentioned earlier.

My final point is that EUCOM forces, although reduced in size, are combat-ready forces that train to high standards of readiness. It is a disciplined force and works well with our joint and combined operations.

The recent event over Bosnia attests to the high state of readiness. An essential part of readiness is quality of life for troops and their families. It is my top priority.

I ask for your continued support in providing adequate operations and maintenance funding and essential military construction for EUCOM personnel and their families. Although we have significantly reduced our total requirements in Europe, the budget does include a modest request for 12 projects for Europe, which includes six quality of life projects, four environmental compliance projects, and two operational projects. A total request of \$77.9 million.

Among our six quality-of-life projects, we include a request for bachelor-enlisted quarters and quality-of-life project in Naples. These projects are part of the Naples improvement, and will provide child development center facilities.

Additionally, quality-of-life projects include construction of BEQ at Sigonella, and construction of child development centers at Bad Aibling, Germany and St. Mawgan, U.K. This committee has always understood the sacrifices made by our forward deployed forces, and the troops thank you for your support.

Let me conclude Mr. Chairman by saying, I joined the command as a second lieutenant 32 years ago when the Berlin Wall was being built and I was there as a Lieutenant General, Corps Commander in the Fulda Gap with my troops when the wall and the Iron Curtain collapsed and thousands of East Germans crossed over to freedom.

I sent 30,000 troops of my corps in Germany to Desert Shield and Desert Storm.

I now return to Europe at a time of great challenge and greater opportunity. How we as a nation respond to these challenges and opportunities may well determine the true security of the United States well into the 21st Century.

I can assure you the men and women of the U.S. EUCOM are committed to the tough task ahead.

With the support of this committee, we will succeed.

Thank you, Mr. Chairman, and I look forward to your questions. [The prepared statement of Gen. George A. Joulwan follows:]

Statement of

GENERAL GEORGE A. JOULWAN

Commander in Chief
United States European Command

before the

HOUSE

Appropriations Committee

Subcommittee on Military Construction

MARCH 24, 1994

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THE HOUSE APPROPRIATIONS
COMMITTEE

INTRODUCTION

Mr. Chairman and distinguished members of the Committee, it is a privilege to appear before you today to discuss the United States European Command. I welcome this opportunity to provide my perspective on the security situation in Europe, Africa, and the Middle East, and what our forces are doing in this theater in conflict. I would also like to share my thoughts on how I believe we can best deter conflict and promote stability, democracy and economic prosperity through a strategy of preparedness and active engagement. Finally, I would like to prioritize the programs and resources needed to support our strategy.

THE EUCOM STRATEGIC LANDSCAPE--THE FOUR DANGERS

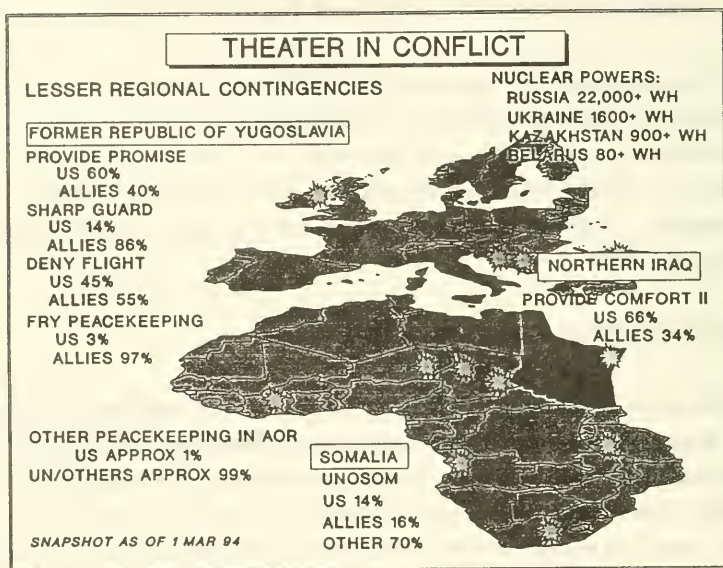
In one sense our military presence in the USEUCOM Area of Responsibility (AOR) is more important now than it was during the Cold War. The reason is simple: This vast theater of 83 countries and 13 million square miles is far more unstable today than it was when the Berlin Wall fell. Because they are particularly relevant and conspicuous in the USEUCOM AOR, I would like to discuss four dangers to U.S. interests as a framework for a discussion of the AOR.

REGIONAL DANGERS

You need only glance at the front page of the newspaper to recognize the threat of regional dangers to U.S. interests in Europe, Africa, and the Middle East. The collapse of the Iron Curtain was a two-edged sword. By freeing the former Warsaw Pact and former Soviet Union from the fetters of communism it offered hope for long-range stability, economic growth, and freedom; in the short term, however, it has allowed a host of historic animosities to resurface and fester. The tragic situation in the former Yugoslavia, though an extreme example, is hardly an aberration. Other areas are ripe for future conflict caused by

ethnic and religious strife, resurging nationalism, or territorial disputes. Many countries in Africa are on the brink of disaster due to famine, disease, or civil war; Somalia-like situations are likely in the future. State-sponsored terrorism and the flow of illegal drugs also threaten regional security and stability. A significant cause for concern is the growing refugee problem. The current number of potential refugees from all sources in the USEUCOM AOR is staggering--approximately 14 million.

Regional stability in Europe, Africa, and the Middle East is clearly in the U.S. national security interest. Regional stability is also a pre-condition for economic stability and free trade. How do we help create conditions for stability? The answer, I believe, is not to sit idly by and let events take their natural course, but to attempt to shape them through active involvement.

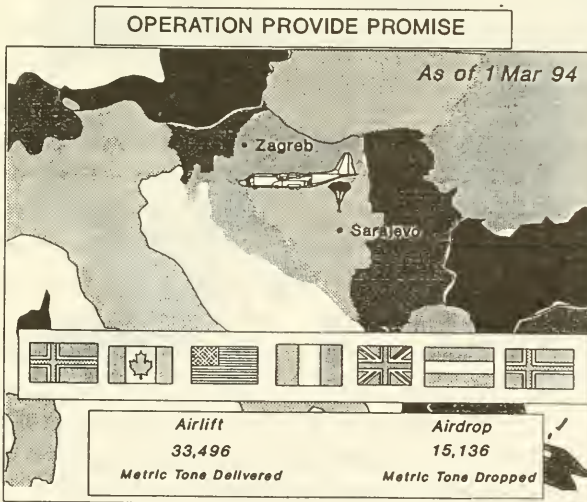


USEUCOM is a theater in conflict. With our Allies we are actively engaged to enhance stability in this region. The operations tempo in USEUCOM is at its highest level

ever as evidenced by NATO participation in peacekeeping missions (more in last 5 years than in previous 45), the disproportionate number of major armed conflicts in or near the USEUCOM AOR (17 of 29 worldwide in 1992), and our current or recent participation in four lesser regional contingencies and support of yet another. Since August 1992, USEUCOM has planned 34 operations and actually executed 15 of those, everything from non-combatant evacuation operations in Liberia and Dushanbe to our operations in the Balkans.

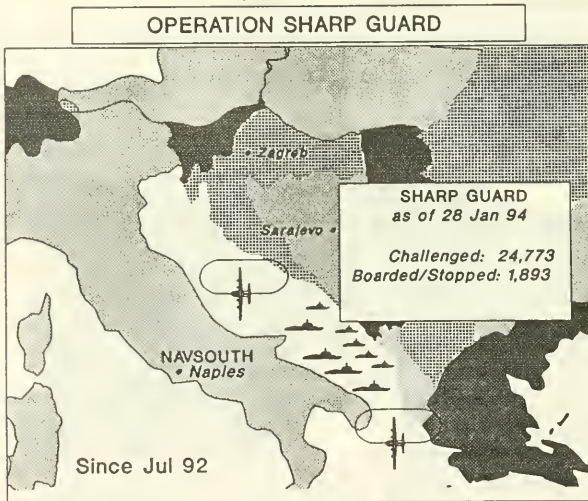
While I believe the only permanent solution to the tragedy in the former Yugoslavia (FRY) is political rather than military, our forces are supporting United Nations resolutions and addressing humanitarian assistance needs on a daily basis. Our military role, in concert with NATO, has served to prevent the spread of the conflict. Our forces have not only saved lives and relieved the suffering of thousands of people, they have been directly responsible for deterring a major threat to regional stability.

Operation PROVIDE PROMISE involves daylight airlift missions to Sarajevo and nighttime airdrops over Bosnia-Herzegovina. Last fall the Sarajevo airlift surpassed the



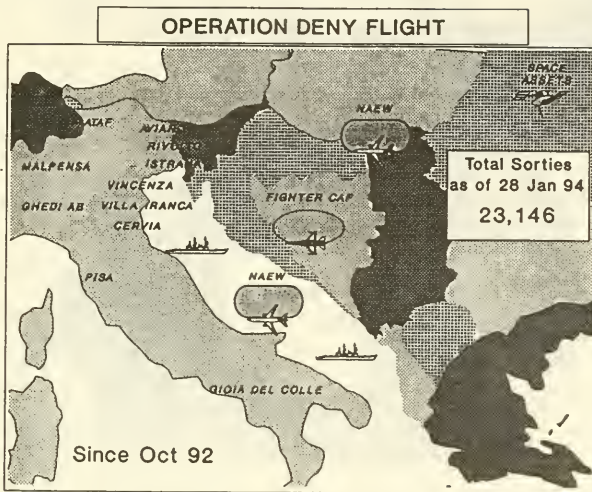
famous Berlin airlift to become the longest sustained airlift in history. As of 1 Mar 94 the U.S. had flown 2893 sorties into Sarajevo (36% of the 7929 total sorties) and delivered 33,496 MTONS of cargo. By that same date the U.S. had airdropped 15,136 MTONS of food and 170 MTONS of medicine to needy people in Bosnia. PROVIDE PROMISE is a prime example of sharing risks, roles, and responsibilities among the Allies. U.S. aircraft and crews participate in the Sarajevo airlift with those of six other countries (Germany, Canada, France, Norway, Sweden and the United Kingdom) and in humanitarian airdrops with two other countries (Germany and France).

In the Adriatic, two U.S. surface ships and a submarine are enforcing UN economic sanctions with 18 other Allied surface ships from 10 countries in Operation SHARP GUARD. As of 29 Jan 94 the Allied ships had challenged a total of 24,773 ships, actually stopping or boarding 1,893 of those.



Operation DENY FLIGHT is another example of the concept of shared contributions for common security interests. The U.S. currently has 34 of the more than 100 NATO tactical aircraft involved in the No-Fly-Zone enforcement operation over Bosnia-

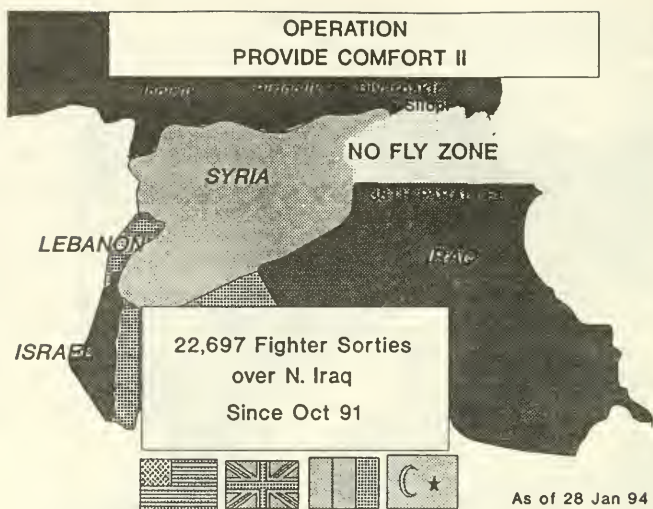
Herzegovina. Total sorties flown as of 28 Jan 94: 23,146.



We also have people involved in many other aspects of the humanitarian and peacekeeping efforts in FRY, including medical teams to support UNPROFOR personnel and approximately 300 personnel in the former Yugoslavian Republic of Macedonia as part of operation ABLE SENTRY. Of the peacekeeping troops in FRY, however, U.S. personnel make up only about 3% of the total.

Another long-term humanitarian relief effort is Operation PROVIDE COMFORT to assist the Kurds in northern Iraq. Since Combined Task Force PROVIDE COMFORT's contributions to the relief effort began in April 1991, 5665 truckloads of relief supplies have been delivered—food, medical supplies, fuel, shelter materials. Coalition fighters have flown 22,697 sorties in support of PROVIDE COMFORT since Oct 91.

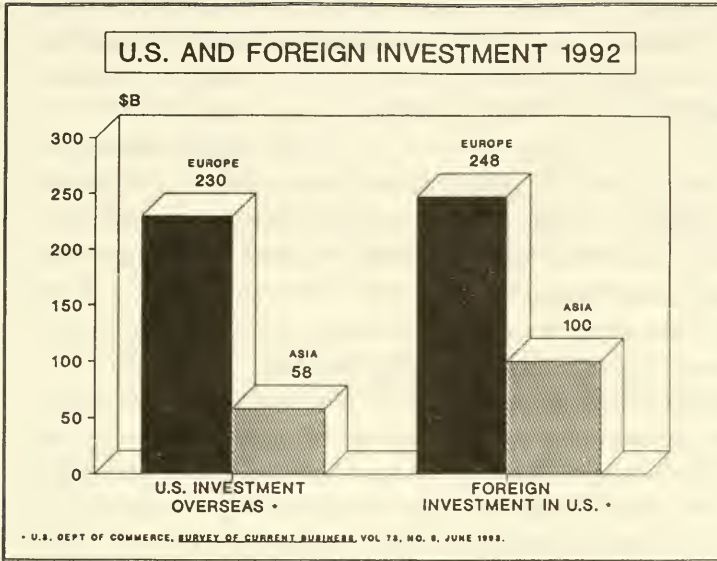
USEUCOM has also provided vital support to another regional contingency, UNOSOM (formerly USCENTCOM's Operation RESTORE HOPE). Our involvement has included the deployment of army aviation units, combat service and combat service support units and personnel to Somalia, and the frequent use of forward air bases in Europe to



support the operation. On 26 Jan EUCOM deployed the four ship Inchon Amphibious Ready Group into the CENTCOM AOR to support operations in Somalia.

Our forward-based European forces enable us to take part in the humanitarian assistance and peacekeeping operations I've just mentioned. This fact alone, I believe, demonstrates their value. In reality, their benefit to the United States goes much farther. Although I could use many statistics to illustrate the economic interconnectivity between our country and the nations of Europe, two will suffice: roughly one-half of total U.S. foreign investment is in Europe; over one-half of all foreign investment in the U.S. is by European countries. Simply stated, trade and investment with and from Europe means jobs and prosperity for Americans, and this can only take place in an atmosphere of regional stability.

Politically, we have much at stake in Europe. A credible forward presence gives us the leverage to influence and shape events to support our national interests. Furthermore, active military involvement offers unprecedented opportunities to open new avenues of cooperation with our former adversaries to the east. An even more tangible political interest



is access to vital forward bases that allows us to project power and provide logistic support for operations in other parts of the world, which we risk losing if we draw down further. Major regional conflicts such as Desert Storm and humanitarian assistance operations like Provide Promise and Provide Comfort would be difficult--more likely impossible--without our bases in Europe.

Most Americans feel a strong attachment to Europe and Africa. During the last national census 92% of Americans claimed racial, national, or cultural identification with Europe or Africa. For this reason alone U.S. interests are tied to the region. Our involvement in Somalia and Bosnia, for strictly humanitarian reasons, is strong evidence. And then there is the proof of history: twice this century we paid in blood and treasure for turning our backs on Europe -- 1.4 million casualties and over 3 trillion dollars; we cannot afford, either in dollars or American lives, to make the same mistake a third time.

NATO, whose 45-year legacy of success makes it easily the most successful mutual security alliance in history, is the key to that stability. It is the only organization, now and in the foreseeable future, with the tools to deal with the complex question of European

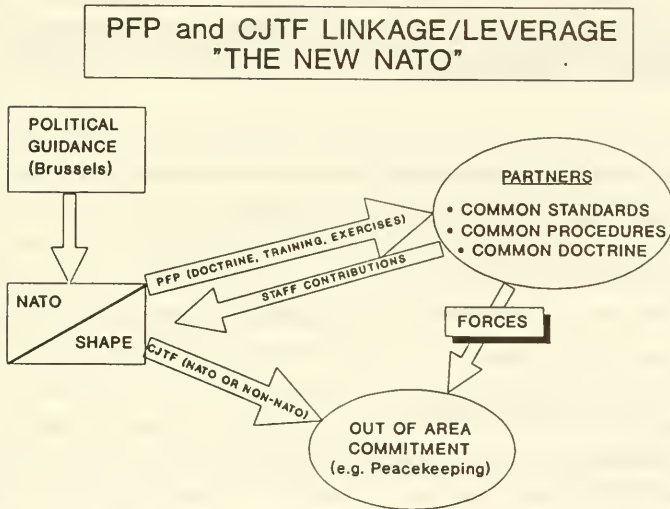
security and stability. Its integrated command and force structure, extensive infrastructure, and system of assigning roles and missions to member countries are well-defined and well-practiced. No organization on the horizon can replace NATO. Likewise, no other country can replace U.S. leadership. It is the glue that binds the Alliance together.

The price of our leadership of NATO is a credible, active forward presence. The permanent force we will have in Europe at the end of the drawdown provides a minimum presence. The Army component (USAREUR) maintains maneuver capability and, more importantly, preserves a Corps forward. Retaining a Corps in Europe is imperative. It is the "coin of the realm" fighting unit, not only in U.S. doctrine but in the eyes of our Allies as well. Whenever we fight in a major regional conflict, such as Desert Storm, it will be in Corps strength. Also, a Corps structure in Europe is necessary to meet our NATO commitments for multinational formations. The Air Force component (USAFE) consists of balanced and flexible air combat and support forces with basing in all regions of the AOR. U.S. Naval Forces Europe (USNAVEUR) and Fleet Marine Forces Europe (FMFEUR) include a Carrier Battle Group and Mediterranean Amphibious Group afloat, maritime patrol and surveillance aircraft, and supporting shore bases. Special Operations Command Europe (SOCEUR) provides rapidly deployable task forces with land, air, and naval elements. This credible commitment force allows us to meet our NATO commitments for multinational corps, air defense, and nuclear strike; provides for reinforcement and sustainment needs; and furnishes a capable forward-based contingency force for timely crisis-response tasking. Most importantly, it is a sufficiently visible and capable force to allow us to continue our leadership of NATO.

NATO has undergone a fundamental metamorphosis, adapting to meet the challenges of a new age. The Alliance has operated out of area, proving itself as a tool for enforcing UN resolutions in the Balkans. More importantly, it offers a useful forum, through the NACC and Partnership for Peace, to extend the concept of mutual security to other European and former Soviet nations. I fully support President Clinton's Partnership for Peace. By reaffirming the importance of the trans-atlantic Alliance, pledging support for emerging democracies and market economies to the East, and promoting the development of a new security system based on today's realities, this proposal offers the best hope for long-term

security and stability in Europe. It offers opportunities for our former adversaries to participate with NATO in multinational security efforts. It provides a concrete framework and set of guidelines for possibly expanding the Alliance. And it emphasizes to our new partners the advantages of civilian control of the military and transparent defense budgets and policies--hallmarks of the democratic system.

A new NATO has been forged by the linkage between the Partnership for Peace (PFP) and the Combined Joint Task Force (CJTF). Together they allow us to leverage our forces in a dramatic way. PFP is a major contribution to the evolutionary process of NATO



expansion. Allies and non-NATO partners will share military doctrine, training, and joint military exercises with the goal of bringing our former adversaries to the east more in line with common standards, procedures, and doctrine. Peacekeeping field exercises will begin this year. The CJTF concept, a U.S. initiative, is aimed at providing NATO and our European Allies with a multi-national (combined) and multi-service (joint) headquarters that

can be tailored to a wide variety of crisis situations. It is designed to effectively command, control, and conduct operations involving NATO and non-NATO (ie PFP partners) forces during peacekeeping or other operations and exercises.

FAILURE OF DEMOCRATIC REFORM

Based on the U.S. National Security Strategy and the National Military Strategy, USEUCOM's strategy focuses on deterring conflict through a strategy of preparedness and active engagement and embodies the following long-range vision for the AOR:

"A community of free, stable, and prosperous nations acting in concert while respecting the dignity and rights of the individual and adhering to the principles of sovereignty and international law."

The framework for achieving this vision is provided by our theater objectives:

- Maintain transatlantic security by providing leadership to NATO
- Achieve regional stability by:
 - Countering proliferation of weapons of mass destruction
 - Deterring conflict
 - Strengthening democracy
 - Ensuring U.S. access, free trade, and economic prosperity
- Maintain well trained and equipped forces to conduct the full spectrum of military operations
- Provide for the logistics, reception, and onward movement of U.S. forces

The primary purpose of our forward deployed force is combat readiness--a force that

demonstrates U.S. commitment to the Alliance, allows us to receive and sustain follow-on forces, and provides a contingency force in position to respond quickly to protect U.S. national security interests. The combat capability our forward presence gives us is the cornerstone of an overall strategy that combines military, political, diplomatic, and economic means to achieve a desired outcome. A side benefit of the credible commitment force in Europe is the assistance it can lend to countries struggling to transition from totalitarian to democratic governments.

Promoting democracy is key to stability and fundamentally important to our nation. The failure of democracy to take root will exacerbate the harsh effects of the other three dangers. If democracy fails to the East, weapons of mass destruction may proliferate, regional stability will be in jeopardy, and there will be no possibility for a brighter economic future. Conversely, if democracy succeeds it can only help diminish, and possibly prevent, the other dangers.

One of today's pivotal questions is, "What is deterrence in the post-Cold War era?" The answer is not as simple as it was before 1989. It goes beyond simply maintaining a strong conventional and nuclear capability to deter would-be aggressors. The fall of the Berlin Wall was not simply a victory of NATO over the Warsaw Pact, but a victory of democracy over communism, and therein lies a clue to the new definition of deterrence: To deter conflict through the peaceful promotion of democratic ideals. The best way to deter conflict is to be actively engaged--politically, diplomatically, economically, and militarily.

I believe a military's relationship to its government and its people is a large portion of our definition of a democracy. A stable, open military is not just a byproduct of democracy, it is a prerequisite. If we can help the military of an emerging democracy find its niche and accept its proper role in society, we will have gone a long way toward creating a condition in which democracy can flourish. Three key USEUCOM programs are doing precisely this in Europe and Africa. These programs complement Direct Military Training (formerly IMET), which allows host nation military members to receive training in U.S. professional military education courses. But they are of a fundamentally different nature.

Our Military-to-Military outreach program to countries of Central and Eastern Europe, chartered less than two years ago, has been successful beyond all expectations. This

total force program, carried out by active members of all Services plus Reserve and National Guard personnel, invests intellectual rather than material resources. By sharing ideas and experience we showcase the U.S. military as the consummate model of a military under civilian control. Our Military Liaison Teams help host nations institute democratic reforms such as human rights, a military legal code based on our Uniform Code of Military Justice, chaplain and non-commissioned officer corps, and the military's relationship to their representative bodies. This small investment is increasing trust between East and West and accelerating the East's transition to democracy and market economies, thus enhancing stability for the entire region.

Similarly, the George C. Marshall Center represents a long-term commitment by the U.S. to remain engaged in the evolving security architecture of Europe. The Marshall Center's mission is to foster understanding and cooperation on defense matters, and especially to educate mid- to senior-executive level officials from the states of the North Atlantic Cooperation Council (NACC). The Center will offer courses, hold conferences, and sponsor research on defense procedures and organization appropriate to democratic states with free market economies. Special emphasis will be placed on human rights and civilian control of the military. It will also analyze how regional conflicts might be avoided, contained and resolved by peaceful means. It is a very cost effective means of influencing the future generation of regional defense leaders.

USEUCOM'S strategy for Africa provides military support for U.S. policy in Africa and supports the goals and objectives of U.S. country teams. The focus is on humanitarian, nation-assistance activities of a non-lethal nature. Some of our key initiatives include senior officer visits, medical training exercises, training cruises, and civil affairs training. Through professional interaction between U.S. and host nation forces, forward presence operations contribute to the promotion of the ideals of democracy and a professional military ethic. These actions, if continued, should help reduce the need for U.S. military responses like noncombatant evacuation operations, but should contingency operations to protect U.S. interests become necessary, this exposure of U.S. forces to Africa will increase their effectiveness.

Our program of joint and combined exercises is active, peaceful military engagement

at its finest; not only does it enhance readiness and interoperability between Allies, it allows us to display cooperation and support to former enemies in a visible way. And it is one of our most visible tools for presence in Africa, yielding considerable long-term benefits. The Partnership for Peace offers a unique opportunity, through NATO, to widen the opportunity for multinational exercises and operations. Countries whose militaries train and participate in combined peacekeeping and humanitarian assistance operations together are much less likely to fight each other. Deterrence through active peacetime engagement—that is what multinational exercises and operations under the Partnership for Peace offer us.

Our effort to promote democracy and stability peacefully is and should be the cornerstone of our strategy; to deter war is, of course, always infinitely preferable to fighting one. But we must be prepared to fight and win if deterrence fails. We must provide adequate resources to maintain readiness or we face a very real risk of returning to the hollow force.

Readiness in USEUCOM is currently at a high level, as proven by the continuing magnificent performance of our soldiers, sailors, airmen, and marines. Their morale remains high under very difficult conditions. They are meeting the challenge. I am particularly concerned about the impact of unplanned and unbudgeted contingency operations on operating accounts, training, and the quality of life for our troops and their families. The real cost of an operation, however, is not always readily apparent. In Operation SHARP GUARD, for instance, there is little or no extra cost in dollars, but there is a possible cost to readiness because a ship engaged in maritime interdiction operations may lose training and exercise opportunities and may be unavailable for other tasking. In DENY FLIGHT, we see a similar loss of training opportunities for air crews. The impact on morale of increased OPTEMPO and deployment away from home, especially if it continues indefinitely, is a serious readiness concern. We have adjusted rotation schedules to minimize adverse impacts on readiness. Also, we are successfully using reserve component units to help share the load in these operations. We will continue to make necessary adjustments to meet these peacetime operational requirements with the goal of preserving our readiness for larger conflicts.

WEAPONS OF MASS DESTRUCTION

Of all of the dangers, this one has the most potential for disaster. With recent political events in Russia and other states of the former Soviet Union, many in Congress have expressed concern regarding the number and location of nuclear weapons, and whether they are under positive control. I share this concern. NATO faces the potential threat of approximately 23,000 nuclear weapons. Although this arsenal is not as imposing as it once was, it continues to be a formidable force. All tactical weapons are located in and controlled by Russia. Kazakhstan, Ukraine, and Belarus have agreed to transfer the strategic warheads located outside of Russia to Russia. Our most recent information is that the operational control of all ICBMs rests exclusively with Russia. Likewise, all long-range bombers believed to be capable of delivering nuclear weapons, and all ballistic missile submarines, are controlled by Russia.

Of equal if not greater concern for the future is the possibility of weapons of mass destruction and the technology to deliver them falling into the wrong hands--rogue states or terrorists. This holds the possibility for a truly nightmare scenario. We should bring all available instruments of national and Alliance power to bear on this problem, from diplomatic pressure to the monitoring of non-proliferation treaty compliance and export controls to the development of a viable theater missile defense system. Initiatives to build mutual trust and cooperation with former adversaries such as military-to-military contacts and the Partnership for Peace offer fundamental ways to deter this and other dangers by helping to create conditions that favor success -- stability, democracy, economic prosperity. The George C. Marshall Center which I've already mentioned can go a long way in this regard. Also important is the Cooperative Threat Reduction program to dismantle nuclear weapons.

USEUCOM continues to ensure full, complete and timely U.S. implementation of existing arms control treaties and agreements in the theater (INF, CFE, Vienna Document 1992), thus setting the highest example -- to the international community in general and to the Central-East European and Former Soviet Union states in particular -- for full compliance and responsible participation in the post-Cold War European security process. During this

period of change and turmoil, the willingness of new states to adhere to arms control agreements will provide a valuable indicator of their larger political intentions and fundamental stability.

USEUCOM has no direct implementation role in the Non-Proliferation Treaty (NPT) or START I/II, but I consider both the reduction of strategic nuclear weapons and controlling the proliferation of weapons of mass destruction (WMD) vital to U.S. and European security. I support the full implementation of both START I and START II, indefinite extension of the NPT, Ukrainian accession to the NPT, and full participation in the Chemical Weapons Convention. Such arms control agreements not only reduce the stockpiles of weapons of mass destruction and the potential for accidents or incidents, but allow newly emerging democracies the opportunity to demonstrate their cooperative intentions to the world community. Meanwhile, Western economic and technical assistance in the control and peaceful elimination of nuclear weapons (e.g. Nunn-Lugar), as well as continuing dialogue in diplomatic and Military-to-Military channels, remain essential to keeping this process moving in the right direction.

Theater missile defense plays a key role in minimizing two critical dangers to U.S. security--the proliferation of weapons of mass destruction and regional threats to U.S. interests. In USEUCOM, we face a challenging theater missile threat, particularly in the southern region. Theater missiles present a problem from their destructive potential not only from a military aspect but also from a political aspect due to their potential as a terror weapon to threaten population centers. At present, our theater missile defense systems are restricted in protection capability and force deployability. The only deployed system we have today is the Army's Patriot PAC-2, which has a small area coverage, limited point defense capability, and limited multiple shot opportunities. Just over the horizon, however, are several new systems under final stages of development which address the theater missile defense problem. On both the EUCOM and SHAPE staff, we are involved in the development of theater missile defense requirements, doctrine, policy, and strategy. I fully support efforts to upgrade existing systems and develop improved theater missile systems in the future. The lack of an effective theater missile defense is a potential warstopper for this theater; this threat puts our theater and our allies' forces at risk.

ECONOMIC DANGERS

Economic stability in Europe, Africa, and the Middle East is an important U.S. national interest. A stagnating economy sharpens the difference between haves and have nots, promotes social discontent, and causes mass migrations--all of which threaten stability. We have already seen the disastrous effects communism ravages on a nation's economy. It will also close the door on the tremendous market opportunities that exist for our businesses in these countries. U.S. businesses will not trade and invest in an unstable environment.

I've already mentioned the economic interconnectivity between the U.S. and Europe. In Europe, we protect our vital economic interests in a very real way by creating a condition for stability where trade and investment can thrive, a condition made possible by our leadership of the NATO Alliance and the peaceful promotion of democracy. To be effective, we need congressional support for the required resources.

RESOURCE PRIORITIES

My number one resource priority is maintaining a ready, active forward presence in this theater. To do this we must adequately fund our people and our operations. We have an obligation, as a nation, to provide our men and women--the volunteers whose dedication brought an end to the Cold War--a reasonable quality of life. This includes the Operations and Maintenance (O&M) and Military Construction (MILCON) funding for adequate theater health care, living and working environments, and community support facilities and programs. Our troops and their families have endured many hardships while carrying out the highest operations tempo ever in the midst of the largest military drawdown since World War II. They have and will make tremendous sacrifices for their country. We should not take advantage of their commitment or there could come a time when we will not be able to keep top-notch people in the Armed Forces. People are our most valuable resource.

If we are to continue our busy pace of operations in places like the Balkans, northern Iraq, and Africa, we must fund those operations. O&M dollars keep our ships steaming, our aircraft flying, our combat vehicles rolling, our bases operating. For unplanned operations

we need to make sure the Service components are reimbursed for additional costs in a timely manner. Otherwise, they will have to absorb the O&M costs by shifting money from other programs. This can mean cancelled exercises, deferred equipment and facility maintenance, delayed or cancelled contracts, all of which directly impact combat readiness.

Because O&M funding is fundamental to taking care of our people and the readiness of our forces, I am concerned about the burdensharing legislation we've seen in recent years. Forgetting for a moment that burdensharing is a complex, multi-faceted issue with many intangibles; that burdensharing bills and amendments that focus on stationing costs ignore more important issues such as shared contributions to peacekeeping and humanitarian operations in the former Yugoslavia. What worries me most about the most extreme burdensharing legislation is that it often takes the form of O&M cuts directed specifically at our forward forces, cuts which can strain already austere O&M accounts and directly impact readiness and quality of life. This burden will not be borne by our Allies, but by American men and women in Europe.

Mobility and reinforcement from CONUS have taken on increasing importance with the drawdown in Europe. Strategic lift, combined with prepositioned material such as POMCUS and TRU-ARPs, will be critical to any major regional conflict in the EUCOM AOR. The C-17, together with commercial aircraft and our aging C-5, C-141 and C-130 fleet, will be needed to provide airlift for initial reaction forces and will provide follow-on reinforcement and logistical sustainment required until sealift support is established. Likewise, we need to improve our strategic sealift capability to provide heavy reinforcement from CONUS and theater logistical sustainment. We also need sufficient amphibious lift to support a forced entry capability.

Modernization of certain systems will ensure our warfighters have the hardware tools they need to accomplish the mission. Of particular importance to USEUCOM are satellite communication systems to enhance command and control, and theater missile defense systems to counter the ever-growing threat from the proliferation of ballistic missile technology. I am also keenly interested in modernization programs for stand-off precision munitions, tactical reconnaissance systems, combat identification systems, JSTARS, and a medium lift replacement helicopter for the Marines.

As I have mentioned, a cornerstone of our strategy in Europe and Africa is the strengthening of democratic ideals. Our Military-to-Military Contact Program, the George C. Marshall Center, our strategy for Africa, and our joint and combined exercise program are high-payoff, low-investment programs. Sharing experiences, exchanging ideas, building mutual trust and respect--these are the best ways I know to increase our chance of enhancing stability and deterring costly, tragic conflict.

My highest intelligence priority is the Joint Analysis Center at RAF Molesworth and its associated systems and communications. Funded through the General Defense Intelligence Program, it provides all source intelligence to meet national, theater, component and tactical level requirements.

Finally, I place a high priority on fully funding one of the most successful burdensharing arrangements in the Alliance--the NATO Infrastructure program. Commonly-funded by participating nations, it provides facilities, bases, and C3 systems for all NATO-assigned forces. Cuts to this program, like we have seen in the past few years, undermine our leadership of the Alliance and make our Allies wonder about our commitment, not to mention their long-range impact on force capabilities.

CONCLUSION

Our active involvement in the USEUCOM AOR offers the very real possibility of preventing the need to engage in more costly operations. We have two choices--we can retreat from Europe, abandon our role as NATO's leader, and hope history doesn't repeat itself, or we can remain engaged to help shape events to fit our national purpose. I recommend the latter course.

In closing, Mr. Chairman, I appreciate this opportunity to appear before you today. On behalf of the men and women under my command, thank you for the support this committee has consistently provided our Armed Forces and USEUCOM. I look forward to your questions.

BOSNIA-GROUND TROOPS

Mr. HEFNER. Thank you, General.

Needless to say, I am glad we have not committed United States ground forces in Bosnia, and this question should probably be asked more to the so-called inside-the-Beltway experts.

Under what conditions would we commit ground troops in Bosnia?

General JOULWAN. First of all, there would have to be a negotiated peace settlement agreed upon by all three warring factions.

Second, the operation would have to be commanded by the North Atlantic Treaty Organization. Right now, as I mentioned, Deny Flight and Sharp Guard are the air and maritime pieces of the theater operations, and these are controlled by NATO. The ground is controlled by the U.N.

If there were a negotiated peace settlement, the intent would be that NATO would also be involved in commanding the ground part of that. And those are the requirements, as I understand it, that would need to happen if U.S. ground forces were committed.

BOSNIA-RUSSIAN AIR FLIGHTS

Mr. HEFNER. In yesterday's news report, it was reported that a U.N. relief flight using Russian-made transport landed in Tuzla. This was sort of symbolic of the isolation of central Bosnia.

How do you review the Russian's recent role in this whole scenario?

General JOULWAN. I believe it has been a net plus so far.

Mr. HEFNER. You know there have been people, as I said, the inside-the-Beltway experts and the real experts that second guess that this was a ploy. Some people have a conspiracy theory on anything that happens. This was just a strategy for the Russians to have people on the ground to assure that we wouldn't do airstrikes, close to where Russian troops were.

Do you see it as a plus, the Russians becoming involved?

General JOULWAN. This has been a tragedy that has been going on for the last few years in the Balkans, and I have devoted probably in the last five months, a tremendous amount of effort with NATO, in my NATO hat in particular, in trying to devise ways to help see if we can help alleviate the tragedy that is occurring.

But there are three warring factions that are involved here, and I think Russian entry into this has helped with one of those warring factions, and so their involvement, I believe, can be a very positive one, and I believe it has to be very useful and constructive to have them involved. At least that is how I see it so far.

Mr. HEFNER. Who is in charge of their contingent?

General JOULWAN. The U.N. The UNPROFOR, they are under the U.N. charter. All forces on the ground are under the UNPROFOR, the U.N. mandate there. It includes 30-some nations; close to 30,000 to 35,000 troops from different nations are on the ground now. And they all come under UNPROFOR.

COMMAND AND CONTROL IN BOSNIA

Mr. HEFNER. Do you consider the leadership from the other countries that we have, this is a closed hearing, that the leadership is

adequate from a military standpoint, because we know ours is. And the reason I ask this question, is because there is an awful lot of debate about if we put our troops someplace, they by God should be commanded by American top military people, not come under the command of anybody else.

General JOULWAN. Let me try to approach it, if I can.

Mr. HEFNER. As delicately as you like.

General JOULWAN. No, because think it is important to understand what I call sort of the positive strengths of the U.N. and some of their problems.

[Deleted.]

[Deleted.] It isn't so much the personalities involved; it is this command and control system that is very, very difficult to handle.

So my recommendation is, even if we go in there for mission A, if there is a possibility of mission B, (and in this environment there is that possibility) then we have to organize, equip and structure the force for mission B. Hopefully we will only have to do mission A, but we must be prepared for mission B in case something happens. [Deleted]. So if you are going to put in a U.N. force as part of a NATO force going in, I believe it is wise to put it under a command and control structure that is equipped in case we have to go to that next level, and by that I mean NATO.

It has less to do with personalities than it has to do with the command and control system you have on the ground.

Mr. HEFNER. I don't know if that is exactly—

General JOULWAN. But you see, that gets to the issue of putting them under U.N. control. The problem is, putting them under U.N. control, [deleted].

Mr. HEFNER. I am not advocating doing that. I was just asking your opinion, because there is an awful lot of dialogue that goes on about oversimplifying what our commitments are. It gets people's emotions, that we have got to be there, we have got to be running the show.

Sometimes they don't follow the rhetoric, exactly. They just want to make sure that our troops, when we get them involved, that they are going to have the best shot at surviving and getting the job done.

We don't want them under leadership that is not adequate.

General JOULWAN. On the policy, again, for example, this issue of close air support, the U.N. has their own procedures, [deleted].

BOSNIA—RAPID RESPONSE

Mr. HEFNER. I think this brings me to this question. A news report last week indicated it took three hours to authorize NATO air strikes in defense of U.N. peacekeepers under fire in Bosnia.

Can you tell us why it takes so long to get authorization? Are efforts being made to streamline or bypass U.N. controls?

General JOULWAN. Again, the issue is command and control, and [Deleted]. Their missions are humanitarian and peacekeeping, very worthwhile missions that need to be accomplished; however, when their forces come under fire, they go under mission B, which is how you enforce it, command and control of close Air Support within the U.N. I can say in this closed hearing, requiring you to fill out forms at each level.

Now, you know, I have to give clear military advice. If NATO or U.S. forces are going to get involved, I will tell you that is something I think we need to look at very closely, and I am.

Now, what we have done, I have sent the theater commander in, Admiral Boorda, last Friday, after this occurred, to work with them and say "How can we streamline these procedures?" They have shortened some of the forms, but there are still forms to be filled out. [Deleted.]

The issue here is we have planes overhead circling for three hours, and they had the target in their sights. In fact, the day before, right there they killed a Frenchman, and this was a repeated attack on a position.

So they just have some different procedures that I think we need to look at. We have given them some more communications equipment, but the key point is, there is not unity of command. NATO controls the air and the maritime part. The U.N. controls the ground.

If we put forces in there under a peace settlement, the intent would be, NATO would have the entire theater under its control. But since we don't have unity of command, I said to both sides, let's have unity of purpose; let's see if we can try to work together.

Mr. HEFNER. I have some other questions for later. We have quite a few Members.

Mrs. Vucanovich.

TROOPS UNDER U.N. COMMAND

Mrs. VUCANOVICH. Thank you, Mr. Chairman.

I want to pursue that a little further. Aren't we putting our troops in just terrible jeopardy under this U.N. command? What is the answer?

General JOULWAN. The answer right now is that we do not have in Bosnia-Herzegovina, U.S. troops on the ground. NATO has many troops there from several of the nations, about 15,000 from the member nations, but they are under the U.N. command.

And many of them now are expressing great concern about this cumbersome procedure, and we are trying to help, but I am not in charge, so it makes it very difficult.

So I think what we are trying to do is offer as much help as we can to streamline the procedures, and have the force, the aircraft overhead to respond.

But it is going to be difficult.

Mrs. VUCANOVICH. It is almost unacceptable to do this to our troops, if we are part of NATO or the U.N. or whatever. It seems to me there has got to be some answer, that we can't just have a hands-off feeling about this, regardless.

General JOULWAN. Secretary General Manfred Wörner of the NATO Secretary General sent a strong letter to Boutros Boutros-Ghali, the Secretary General of the U.N., expressing our concern.

Several nations, I believe, including our own have demarched saying, You need to streamline the procedure.

The other problem is the delegation of authority, who can approve.

Right now, Mr. Akashi, he is in Zagreb has not delegated authority to the military leaders in Sarajevo. So when a request comes in, it must go to Mr. Akashi, all of which takes time.

My recommendation has been that it be delegated down to the military commanders. But that puts convoys, it puts all kinds of troops in jeopardy. It is a U.N. operation on the ground, and we can only strongly recommend. I have given the best advice I can.

Nations are trying now to demarche. I hope we can do that.

If U.S. forces are introduced, if there is a peace settlement, the insistence I am sure will be that—President Clinton has said to me—that NATO must be in command, not the U.N.

Mr. HEFNER. Would you yield?

Will you have people that will be involved, that will be part of the United Nations that would not be members of NATO? Would that present any problem?

General JOULWAN. The idea—

Mr. HEFNER. Do we have that situation?

General JOULWAN. On the ground now?

Mr. HEFNER. No, what I am saying is, people that are participating at some level that are part of the United Nations but are not part of NATO.

General JOULWAN. That are participating with the U.N. on the ground now and they are not part of NATO?

Mr. HEFNER. Yes.

General JOULWAN. Yes.

Mr. HEFNER. The Russians are there.

General JOULWAN. They are there, the Malaysians are there. I visited the hospital in Zagreb. We have a U.S. hospital there. I saw Russians, Colombians, Jordanians, Malaysians, all being treated in a hospital.

Mr. FOGLIETTA. I think the question, if I may, how would they submit two NATO command, if they are not a part of NATO?

General JOULWAN. At least this is what we are thinking, that we would carve out within this overall command structure, carve out an UNPROFOR U.N. mission that would be for peacekeeping. The deputy commander, for example, would be the UNPROFOR commander, but he would be under the NATO commander.

All of those operations would be linked together. And the NATO commander would have theater responsibility for what occurred on land, air and sea. So they would come under the overall umbrella of NATO.

Now, we are going to have to work some of this out. It is not going to be as easy as I am making it. But that is what we are wrestling with now, the command and control arrangements.

I am trying to get political guidance on that and I am going to Brussels soon, about how we do that. It is not easy.

The other part of this is that you don't have common procedures. When you bring nations in from 30 different nations, it is very difficult to try to have those common procedures.

What we are trying to say is—and that is where this Partnership for Peace, if I can go around a little bit, can really help establish some of these common procedures we may face in the future.

Mrs. VUCANOVICH. It is very worrisome. It just seeks to me we are putting our troops and our people in a very difficult position. I don't know why we are there in that capacity without any control.

General JOULWAN. We are not there yet.

Mrs. VUCANOVICH. We better not be.

General JOULWAN. And we won't be unless we get that part of it fixed, and the President has said that, and he of course has to come to the Congress when and if he decides, if there is a peace settlement.

The issue will be, there will be a peace settlement. That means there won't be shooting going on, and the warring factions will all agree to it. But it gets back to that climate you put them in, and you have to go in there, even though it is for that mission A, in this particular case, you have to be prepared and have the troops mentally prepared for the environment they are going in. That is the issue we are working on now, in my NATO hat.

Mrs. VUCANOVICH. What is your assessment of the current threat in the southern region? What do you think is—

General JOULWAN. I really believe, if in the southern region we are talking the whole Littoral down there, I really think that how we handle what is occurring in the Balkans is critical to all of that, and how do we somehow have tolerance for ethnic differences, et cetera, throughout that whole region. [Deleted.]

I just had the Bulgarians in to see me and they are very much interested in trying to work with NATO now in this Partnership for Peace initiative, in trying to work not just with NATO, but with the countries of the region. So that is a bright spot if we can get Bulgaria and Romania working with the other countries in the southern region. I think it can be very useful.

As I talked about in my statement, Russia is still a big player. If you take the southern region and extend it into the trans-Caucasus, we don't know what may happen with the instability that is occurring there. So it is still a dangerous place. I have been in NATO many years, and I know with the fall of the Wall and the collapse of communism, we might have thought, it's all over. But I will tell you, and we have to figure out how we can leverage our forces, we are dropping 68 percent of our force structure from what we used to have in Europe. The NATO countries average about 20 percent. So far, the 100,000 that we hope to have, we hope to leverage in a way to get NATO and Europe to do more; and get these partnership states to do more. That is what these initiatives would do. But we need to have some credibility and influence. This force in Europe would assist us in that.

I just need your support to ensure we take care of our forces over there.

Mrs. VUCANOVICH. They keep cutting back. It is a very dangerous world.

General JOULWAN. The air crews in Ramstein, 290 days a year they are out of their base flying on missions. So we have to take care of them, take care of their families, at this reduced level. We need to stabilize the force right now. We have had this free-fall for the last three years.

If we can stabilize it at 100,000—President Clinton asked, Is that enough? After I went through this litany with him, and I said, Let

me get back to you, because until we can stabilize it, I can't give a good answer. I can give a guess, but not a good answer.

But the fundamental part of what we need from this committee is to continue to take care of those few MILCON projects.

Mrs. VUCANOVICH. I agree. We are a little bit off our purview. But I think all of us in Congress are very concerned about the cut-backs in defense and what we are doing to our country and to our—the few people we have left over there. And when we keep expanding missions, you know, the military isn't supposed to be out there feeding the homeless. They should be taking care of this country, the defense of this country.

Anyway, I have several other questions, but I yield back the balance of my time.

Mr. HEFNER. Mr. Foglietta.

Mr. FOGLIETTA. General, I am very impressed with your testimony and your presentation this morning. I have a couple of questions.

DOWNSIZING OF FORCES

First of all, you talk about the downsizing of American forces in Europe, 68 percent to be exact. The perception that most people have is that NATO forces are still primarily located in Germany. And these same people are talking about cutting back. They say, we don't need a lot of troops in Europe. We don't need our forces in central NATO any more, or northern NATO.

Now, I have met with you at the Fulda Gap. We do not face a threat at the Fulda Gap any more, but we do have tremendous responsibilities in NATO south, and I think we should be concentrating on NATO south.

With this drawback of facilities and forces, how is this transfer progressing, if at all? Are we moving forces from where they are no longer needed to where they are? For instance, you mentioned Ramstein Air Force Base and Aviano, Italy.

General JOULWAN. I have great flexibility. I haven't put any borders up. So wherever I have to move forces, I can move them very quickly.

On the 9th of February when the North Atlantic Council made the decision, I sat through 12 hours of a meeting; it ended at 2300. I immediately flew to Aviano, Italy to meet with the theater commander. We moved forces from the north, from England, from Ramstein, right down to the south. They don't have to be based in the south in order to have mobility and agility.

SOUTHERN REGION

Mr. FOGLIETTA. Can they be just as effective staying up where they are?

General JOULWAN. We wanted a fighter base in Italy so we are going to do it at Aviano. We need to have that fighter base, and we are trying to do some prepositioning work in the south. But for the most part, I think we can move forces pretty quickly throughout the region.

Mr. FOGLIETTA. I am specifically thinking of the problem we had when there was an action against Libya, and some nations would not allow American aircraft use of their airspace. That would not have occurred if we were operating from Italy. Does that present a problem?

General JOULWAN. Aviano will help us here. I think the Air Force would tell you they would still like a base further south. But right now we think Aviano can fit that bill.

EUROPEAN MEDICAL FACILITIES

Mr. FOGLIETTA. I have been pushing for a new hospital there. As you know, it is in horrible condition. There is the crater of a volcano and it is susceptible to earthquakes. They closed the 4th and 5th floors down because of cracks in the walls; it might collapse.

I certainly supported the living quarters and quality-of-life facilities in the Aviano area, as well as Sigonella. But what about the hospital? Are we moving to build a hospital?

We have talked about that for 10 years.

General JOULWAN. I will have to get into that. I just talked to the theater commander this morning, and I asked him about his health care in the southern region. He said they are making great headway. But I will have to get back to you or where we are for the Aviano hospital.

[The information follows:]

The existing outpatient clinic at Aviano AB is in good condition and adequate for the current population, but is too small to handle the increased population due to the beddown of the 401st (renamed the 31st as of 1 Apr 94) Fighter Wing. The Air Force Headquarters in Europe has been developing data for required medical facilities at Aviano for submission to Air Staff and eventual programming in a future MILCON budget request. As a quality of life issue, it will certainly have my strong support.

PARTNERSHIP FOR PEACE

Mr. FOGLIETTA. We talked about the Partnership for Peace, and as I remember reading the situation, the reason why we were reluctant to invite those nations that you talked about from Eastern Europe into NATO officially, was due to the objections raised by the Russian government. Now we hear that the Russians would like to join. What in your view has changed to make the Russians want to join?

General JOULWAN. They have made some comments recently that they would like to join. Now, we have taken Partnership for Peace—I don't talk about membership in NATO—is just they way to engage; I think that engagement is extremely important right now, if we have former adversaries over there, so this is a way to engage during this period, and I think it can be very useful.

We don't want to move a line a few hundred kilometers to the east. That is why getting Russia and the Ukraine involved is so important.

Ukraine is signed up; we think Russia is signed up, and we think that will create the right kind of environment that we want to have. And this will be not only at the trading exercise level. Each country will have its own work plan. They can talk budgets, civilian control, those sorts of things will be discussed.

And so this engagement strategy, I call it an engagement strategy because we have a window of opportunity here to engage with these countries, former adversaries of ours, to include Russia, is a good strategy. I think it is a very good sign that Russia now wants to join that process.

Mr. FOGLIETTA. Is that acceptable to the other nations like Bulgaria, Poland, to have Russia coming in?

General JOULWAN. I think so. As we meet here, for example, there is just a heck of a lot of activity going on.

There is an exercise going on today, for example, and Norway is conducting an exercise with Russia and several other nations. It is a multinational exercise to include some of the former Warsaw Pact countries, a naval exercise on its northern border.

There are many contacts like that that are happening bilaterally from the United States and other countries.

When I talk to some of the chiefs of defense that visit me from former Warsaw Pact countries and I ask them, "what about Russia?" they welcome the opportunity to include them in the dialogue.

I think, candidly, they don't want them to have a veto, and I don't think that will happen. They will enter Partnership for Peace like any other nation will enter Partnership for Peace.

Mr. FOGLIETTA. When I took at this map, I see the United States European Command having the responsibility of all of Africa.

General JOULWAN. All except Somalia and the eastern part.

Mr. FOGLIETTA. What do you mean when you say "our responsibility" in South Africa and Angola.

General JOULWAN. All troop deployments in that region, all exercises. We interface with the ambassadors in Africa for exercises of possible operations such as noncombatant evacuation. We are concerned, you mentioned South Africa, we are very concerned about Algeria right now, the fundamentalist movement is a great concern there. And a couple of foreigners were killed there yesterday.

Mr. FOGLIETTA. Aren't you just as concerned with the Sudan and Ethiopia—

General JOULWAN. That is the central command, another unified commander.

Mr. FOGLIETTA. Oh, I see.

General JOULWAN. I have one of five geographic commands. Admiral Larson, he gave you all the water there. There is not much MILCON in that water.

Mr. FOGLIETTA. What I am saying is, the yellow here represents countries outside of the European Command's responsibility.

General JOULWAN. Right. It may be misleading that the European Command also covers Africa, but it does. But we are watching that. We have limited resources down there, but we are watching Africa very closely.

There is a great deal of turmoil right now.

Mr. FOGLIETTA. Your responsibility is just to observe what is going on in these countries.

General JOULWAN. There are some exercises that go on. We support requirements by ambassadors that are there. How do we use IMET, for example, is included, even though it is a very small amount. In Greece, as in Africa, we try to get some sort of military-to-military relationship going in that region.

Mr. FOGLIETTA. Thank you very much.

Mr. HEFNER. Mr. Callahan.

Mr. CALLAHAN. Thank you, Mr. Chairman.

General, How many troops are under your command?

General JOULWAN. Right now in my U.S. hat, as of yesterday, 147,000.

Mr. CALLAHAN. That is all in the European——

General JOULWAN. In the European side. That is down from about 314,000, a few years ago.

Mr. CALLAHAN. That is Army——

General JOULWAN. Army, Navy, Air Force and Marines.

EUROPEAN MILITARY CONSTRUCTION

Mr. CALLAHAN. With respect to your request of our jurisdictional areas, you are here to request some money for making life better for our troops and for construction projects. What was your total request?

General JOULWAN. Twenty-three projects.

Mr. CALLAHAN. How much money?

General Joulwan. I would have to get that for you. The 12 projects that we are asking for comes to about \$77.9 million.

Mr. CALLAHAN. Of the eighty million dollars, how much of that is for environmental improvements.

General JOULWAN. There are four projects on there for—three of them are on the environmental side. It is for sewers and things like that that really help in the communities.

One is for hazardous material.

Mr. CALLAHAN. Would you say 30 percent of your request is to improve the environment? Thirty million dollars of the eighty million you request, or maybe more than 30 percent, is for environmental concerns you have with respect to sewage treatment or sewage plants or incinerators?

General JOULWAN. I will get the exact figure for you.

Mr. CALLAHAN. That is all right. Percentage-wise, I have totaled it up here. Thirty-one million dollars are things that are related to the environment. And I see another \$33 million being spent by the Navy, in Italy, and I am sure that is justified.

I just wonder, if you take out the improvements for the facilities in Naples, which is the Navy command, I assume that Admiral Smith's command is located in Naples, isn't it?

General JOULWAN. It will be.

Mr. CALLAHAN. When it gets there; he will move to a villa in Naples?

General JOULWAN. Yes.

Mr. CALLAHAN. When you take the \$33 million for Naples, and I guess I don't know who I would have to ask, but why is \$19 million going to bachelor enlisted quarters? That seems like a lot of money for an enlisted quarters.

I don't know how many troops will be involved in the enlisted quarters, but that to me seems like a lot of money. Thirteen million dollars in enlisted quarters in Italy. So one-third of your request or maybe almost 40 percent of your request is going for enlisted quarters in Italy, and that is well and fine, that is what we are here for, but isn't what you are saying untrue?

I mean, the construction cost of that, isn't the construction cost of that a little high?

General JOULWAN. I would have to get back to you with the details. I talked to the theater commander this morning on an update on Bosnia in particular, and when I told him I was going to come here he said from two years ago we've got 100 percent improvement in Naples. He also said we have got 100 percent more to go in what we need down here.

I will try to get the—

Mr. CALLAHAN. My point being—I don't need particulars. I know essentially how this works, except that the cost per square footage concerns me, of \$33 million for bachelor quarters, when we have some housing needs in other areas of your command as well.

So what you are saying to the rest of the people in your command is that Congress won't give you any more money to improve your standard of life. You have your constituency, and that is that 100,000-plus troops out there, although they don't vote for you. We have our constituency, and they tell us that when we visit these facilities, we need better living conditions, and why doesn't Congress appropriate some money to make things better for us. I am at a loss as to what to tell them. Your Commander in Chief is telling us that this is all he needs, and that he needs to dedicate one-third of it to Italy, and one-third of it to environmental, he didn't ask for any improvement here in Germany, or wherever else they may be.

General JOULWAN. Well, sir, I will tell you, when we have gone from 23 projects to 12, we try to prioritize. In what we have seen, the priority needs to be in Italy. That is not to say we don't need assistance elsewhere.

I will try to get some more details on what the \$19 million consists of. We do have, as you know, some better facilities in Germany, as we draw down; we have kept some very good facilities, but I will get into more of that.

The area that really needed assistance in the priority sense is Naples, and we have tried to demonstrate that by showing the success of projects that we did get funded.

[The information follows:]

The BEQs at Naples and Sigonella have high costs compared with those in CONUS for several reasons. The DOD area cost factor for military construction in Naples and Sigonella is 1.44 times that of construction in Washington, DC. This overall factor is due to high costs for materials and skilled labor in Italy and the requirement for Italians to construct buildings to both Italian and U.S. standards. In addition, because of siting constraints both projects require more costly high-rise construction. Both are also being designed to include most of the features required for FY96 and beyond projects. These include an additional bathroom, storage closets, a kitchenette, and other features in each two-room module. The projects also include other functional areas than just barracks space. The Naples project includes an indoor firing range, outdoor playing courts, and special foundations for seismic requirements. The Sigonella project includes an auto hobby shop that replaces an inadequate facility that must be demolished to provide a site for the BEQ. Both projects also include demolition.

PREFABRICATED HOUSING IN RUSSIA

Mr. CALLAHAN. I know you don't have to justify it to your constituents, but I guess you might get asked, does your command have any involvement in any transfer of monies to Russia for fab-

ricated houses for their retired soldiers? Do you have any involvement in that?

General JOULWAN. No, I do not. And I know of no such plan. But I don't have any involvement in that.

Mr. CALLAHAN. How could you justify to your constituency, your troops, that the administration is asking for another \$100 million to send to Russia, which they asked for and received \$3 billion last year. Now they are asking for—actually \$900 million more for Russia to do, among other things, build homes for their retired soldiers? How do you tell your troops when they say, General, we don't have adequate living conditions. How can you tell them, well, we need that money instead to give to Russia so we can build houses for their soldiers who are going to retire?

I just want to know so I can use it when I talk to my people to justify giving Russia another \$1 billion, and yet telling you that you don't need but \$90 million for all of your command.

So how do you answer that? And would you rather have your 23 projects back than to give that billion dollars in new aid to Russia to provide for their housing needs?

General JOULWAN. I am not aware, sir, of the total amount that the administration has requested or why. But I will tell you that Russia does need assistance.

If I can talk about my personal opinion, as they transition, it is a very uncertain, unstable environment right now, and I think both NATO and the United States and other nations need to assist.

Whether the trade-off is for housing for their soldiers vis-a-vis our soldiers, I can't answer that. Of course, I would like to have the maximum for the soldiers that are under my command. But I am not aware, I don't have the knowledge of the higher policy issue of why this is being done.

Mr. CALLAHAN. When you meet at the Pentagon and they send in the Secretary of Defense, I guess it is sort of like a meeting here, a subcommittee meeting; you pound on the table and say, I've got to have this money, my people need this, we need better living conditions, some of our people are living in squalor. I guess they say, We're not going to give you any more money; we're going to cut your 23 projects down to 12. You live with that, and you go over and tell that subcommittee, this is all you need and this is what you need it for.

Don't you ever have the opportunity to say, for example, Mr. Secretary, or Mr. Under Secretary, why don't you take some of that money away from Russia?

General JOULWAN. I have made it clear what we need in the European Command. The higher policy issues of how we deal with Russia in the post-Cold War period, I think are very real and need to be considered.

They have 23,000 nuclear weapons. There is a lot of uncertainty. We are trying to figure out how to minimize the weapons of mass destruction. That is also very serious to the troops under my command and to our country. And I think we need a balanced approach to how we deal with them.

Germany has been trying to get the Russians out of the eastern part of their country now for several years, and that will be completed in August. They have given \$35 billion to Russia to try to

get them out of their country. They put \$100 billion into Eastern Germany trying to recoup the damage that was done for 40 or 50 years over there.

So there is a lot of effort going on trying to figure out how we are going to cope in this post-Cold War environment. But I think Russia, as I said in my statement, we have got to figure out how to deal with them.

MR. CALLAHAN. So you don't have any problem going to your troops saying that I am sorry, your roof leaks and you freeze in the winter and you burn up in the summer and the sewage conditions are deteriorating, but we need that money for Russia?

General JOULWAN. I have been saying that for 32 years. When I was 21-years-old, I was in one of those buildings, and with the help of Congress and this committee we have made a lot of improvements.

MR. CALLAHAN. As you can tell, I have got a pet-peave, and some of it involves this aid to Russia.

MR. HOBSON. I thought only the Navy was your pet-peave.

MR. CALLAHAN. No, the Navy never does anything wrong. It is only the Army and Air Force.

I do have a concern about—maybe a difficulty in understanding the priority. I think that your troops deserve priority. I am sorry that the Russians are suffering, but they should have known about that before they caused our troops and all of us the misery that they caused.

And if we are going to give them money, then we ought to say to them, You're going to reduce your stockpile, you're going to stop involving yourself with Korea, and giving them technology, so another problem can be created for you; we are going to stop them from selling arms to Serbia, which they are doing, which they admit that they are doing, that Serbia has been taking into Bosnia.

We ought to at least put some strings on it or something. Anyway, that is, what do you call it, above your command—

General, JOULWAN. My pay grade, as they say.

MR. CALLAHAN. Thank you, Mr. Chairman. I am sorry to take so much time. The Russian issue upsets my people.

MR. HEFNER. I can understand that. That would play well in the 8th District of North Carolina, too.

This committee is for quality of life, but sometimes we have got to realize that the other side of this coin is, on the Russian thing, that we are better off trying to do some things that would stabilize, because they haven't had stability in that country since these changes have taken place, and they are very fragile.

It is better for use to spend some billions of dollars or move toward a threat against us from thousands of nuclear warheads? I am assuming that is where we are trying to move, to get rid of all these—it would gall you, and it galls my constituents to say, you are giving aid to the Russians, you are closing bases here, we have got homeless folks, and I can understand that.

But hopefully, when all this shakes out, the ideal situation would be to have Russia as a trading partner, no nuclear warheads pointed at Philadelphia and Washington, Los Angeles, or any of our bases. That would be the ideal situation. And that is not going to happen unless we do have a peaceful world.

Is that what we are working for?

PARTNERSHIP FOR PEACE

General JOULWAN. Yes, sir. The volatility is of great concern. Russian behavior is going to be very important, if I can speak candidly. There is a whole issue of conventional force limitations in what we call the trans-Caucases.

There are limits placed on how many tanks, artillery and other things you can have on the flanks now in Russia. That issue is going to come up, because of the unrest that is happening in the trans-Caucases.

We are going to have to judge Russian conduct here as we go through it. There is a great deal of concern in Norway. That is why they are having this exercise, with the Russian fleet up in the peninsula. We have seen that is still operating at a very high tempo.

So it is an unstable, uncertain Europe right now. And how do we interact with them? When we have this window of opportunity to interact with them, we need to.

As I explain it to the troops, I say, as we reach out this hand of friendship in Partnership for Peace, you are going to be interacting with all these nations, but you have to come back into a fist if we have to fight. And that is where we are right now. And I hope that doesn't happen. But I think we have to be careful that we are able to do that. So we are going to be having an outreach program, a military cooperation program, and hopefully it is going to be successful.

Mr. CALLAHAN. If the Chairman would briefly yield.

Mr. HEFNER. Just one second. In support of what the gentleman from Alabama said, and I come from Alabama, my folks still live there, I hope you don't take them hostage.

Mr. CALLAHAN. He has a Cadillac agency there.

Mr. HEFNER. This is a closed hearing. But I do agree with the gentleman from Alabama, that not just in your part of the world, but all over, in the United States, we don't have the voice when the decisions are made for the Army, especially for the Army. We don't have the strong voice and advocacy for quality of life when these budgets are put together, simply because they know that the gentleman from Alabama, myself, the gentlelady from Maryland, are going to come through and do more than is asked for.

I am not saying you, but the voices, the Secretary of the Army on down, they don't put enough emphasis on quality of life because they have so many higher priorities. And that is something that kind of galls me, that we—you come in here and then we get the criticism from the mothers and fathers that have sons in these bases, why don't you give us—you are sending money to Russia, and it gets so simplistic, you are sending money to Russia and my boy is living down there, and it makes us look like we are a bunch of left-leaning folks who don't care about our military folks, and on that part I do agree with the gentleman from Alabama.

But I do understand how important it is, as he does, too, that we have to explore every window of opportunity where we can go down from all the monies we have to spend for defense, where we can begin to move down to a peaceful world.

Mr. CALLAHAN. We ought to have more decisionmaking authority here than we are given, but if you are to come to us and say, I have got 23 projects I need done, Russia comes and says to the State Department, we need money for Russia, we ought to be the one deciding the priorities, but the administration knocks you in the head and says, go over there and don't ask for any more money, cut your price down to \$90 million.

So we can't say, you have got to be crazy, General, you don't need \$90 million, you need \$200 million. So it gives us a problem.

My Second point, Mr. Chairman, is that I agree with all of your philosophy on helping Russia, but I think we ought to put some contingencies there. And we are not putting any contingencies on them. Therein lies the problem. There are none in the legislation.

General JOULWAN. My concerns particularly on the nuclear side, are very, very real.

[Deleted.]

Mr. CALLAHAN. That is in some of the SALT agreements. We are talking about economic aid, we are talking about they are still buying sugar from Cuba. We could crush Cuba if Russia would stop buying sugar for one year.

I am sorry, Mrs. Bentley.

Mr. HEFNER. Trade policy is definitely above his pay grade. Are you finished?

BEQ'S AT NAPLES AND SIGONELLA

Mrs. BENTLEY. I hope he is. He is on a soap box today. But I have to agree with him re bachelor-enlisted quarters at \$19 million in Naples and \$14 million in Sigonella.

How many officers do we have who use these facilities at a time?

General JOULWAN. They are enlisted quarters, I believe, for the troops, which I think is—

Mrs. BENTLEY. You are right. They are not officers.

General JOULWAN. No, ma'am.

Mrs. BENTLEY. It is BEQ. Okay. I think we do need them for those people. The cost is very high. I could build hundreds of quarters for \$19 or \$13 million. I hope we are not getting raped by the construction companies over there.

General JOULWAN. I can get you that information.

[The information follows:]

The BEQs at Naples and Sigonella have high costs compared with those in CONUS for several reasons. The DOD area cost factor for military construction in Naples and Sigonella is 1.44 times that of construction in Washington, DC. This overall factor is due to high costs for materials and skilled labor in Italy and the requirement for Italians to construct buildings to both Italian and U.S. standards. In addition, because of siting constraints both projects require more costly high-rise construction. Both are also being designed to include most of the features required for FY96 and beyond projects. These include an additional bathroom, storage closets, a kitchenette, and other features in each two-room module. The projects also include other functional areas than just barracks space. The Naples project includes an indoor firing range, outdoor playing courts, and special foundations for seismic requirements. The Sigonella project includes an auto hobby shop that replaces an inadequate facility that must be demolished to provide a site for the BEQ. Both projects also include demolition.

Mrs. BENTLEY. I know you mentioned the George Marshall Center. How much is allotted for that?

General JOULWAN. I believe it is \$15.4 million.

Mrs. BENTLEY. And we have discussed priorities for troops. What about Mr. Foglietta's hospital in Naples. Is that a priority?

General JOULWAN. I told him I would like that. I am not sure where that is in the priority system. Health care is very important to what we are doing over there. I will look into that.

[The information follows:]

The quality of life of our people in USEUCOM is my top readiness priority. Health care is a very important aspect of this.

No priority for construction of a hospital at Aviano AB has been assigned yet since the decision to finalize the 401st (renamed the 31st as of 1 Apr 94) beddown was only recently concluded. HQ US Air Force—Europe has been developing data for required medical facilities for submission to the Air Staff and eventual programming in a future MILCON budget request. I will follow this issue closely.

PEACE PLAN

Mrs. BENTLEY. Following up on the earlier discussion on the Partnership for Peace yesterday, the UN relief flight used Russian-made transport to land in Tuzla, thus symbolically ending Tuzla's isolation of the last two years.

How do you view Russia's role as a peacemaker in Bosnia now?

General JOULWAN. As I said before, it has been useful to date. Russia can be very helpful in bringing one of the warring factions to a negotiated settlement. That is what is needed.

As I said in my opening statement, military force alone will not solve it. It must be political and diplomatic. That is what is required.

We have this pause right now, and the United States has really moved out in the last month or two in trying to make negotiations happen. If the Serbian warring faction can be brought into the negotiations it can be very useful, and the Russians can help there.

Mrs. BENTLEY. I don't think the United States properly encouraged the parties toward political settlement which has led to the subsequent problems. I have followed the pattern of events very closely. I have seen mistakes of omission and commission by the United States that have aggravated the situation. And I do pray the civil war ends soon, because many innocent people are starving to death and dying because of the lack of adequate medical aid.

Even though we are sending humanitarian aid, not enough is reaching those people. The whole area is suffering. It is tragic when people over 60 commit suicide because they don't want to starve to death, and 5- and 6-year-olds in hospitals are being given cigarettes to ease their pain because there is no medicine.

I think that is really sad. And that is one of the reasons why we need to help end the suffering. And hopefully Russia will do the same.

But, what is Russia doing?

How are the Russians affecting NATO? Are they blocking East European countries from joining NATO?

General JOULWAN. They have made some initial noises thinking that another border was going to be drawn with Poland and the other nations coming in. What we have been trying to say is we don't want to draw another line. So I met in December with their minister of defense. He asked to see me when he came to Brussels. At this point, what we are trying to do is reach out to them. So

we don't want to put another border up a few hundred kilometers to the east.

I think Russia is starting to see that now, and we have said it enough, that they have made this comment now that maybe next month they will join this Partnership for Peace. I think that is a positive step.

Mrs. BENTLEY. What other Eastern European countries do you see that may be joining?

PARTNERSHIP FOR PEACE

General JOULWAN. At this point, I would like to defer that, because it is going to be a political decision. Partnership for Peace Guidance will have a partnership coordination cell at my headquarters. There would also be one in Brussels for the political side.

These partnership nations would show representation and would interact in order to learn our procedures.

After all, NATO is a collective defense alliance, and we have trained for 40 years in common procedures and common doctrine and standards. These have to be learned. There is a period you go through to do all of that. So, how long that would take, I don't know. What the final decision will be of who will join and who will not join will be left up to the North Atlantic Council. But from the military side, I think we have to say we should be training to common standards, common procedures.

English, by the way, is the accepted language of the alliance in all its dealings on the air, sea and land.

Importantly, what will be developed is country work plans, and these partnership cells will develop those work plans. In fact, they are going to come to my headquarters and they will actually interact with my staff. And I think that is a very positive sign.

Mrs. BENTLEY. Mr. Callahan made a statement that Russia was selling arms to Serbia. I believe weaponry is being sold to all sides. Am I right? Are there sales despite all of the embargoes?

General JOULWAN. And there are a lot of arms factories in that area.

Mrs. BENTLEY. In Bosnia and elsewhere?

General JOULWAN. And elsewhere, in the former Yugoslavia.

Mrs. BENTLEY. They are all going full tilt?

General JOULWAN. Many of them are still operating a full capacity—that is why I think it is very important that the diplomatic and political side needs to be energized because the conflict needs to be settled.

Mrs. BENTLEY. Nobody really understands the deep hatred, the ethnic hatred that goes back over 600 or 700 years there. That is one of the reasons I have objected so strenuously to any American troops going in there, because I don't want to see our boys being killed in a conflict the local population have not been able to resolve over a period of six or seven centuries. We can't do it unless, as you said, it is done through political negotiations and peace.

I think that is all the questions I will ask right now, Mr. Chairman. I would like to submit some more to you.

FORCE STRUCTURE

Mr. HEFNER. Mr. Hobson.

Mr. HOBSON. Having lived as an Air National Guardsman in one of those old bases, which you don't have any more in France, I share some of the concern about living quarters. I stood at the Wall just after it was built, when I was still on active duty. I have a stone from where it came down, so I share that feeling.

A couple of things I would just like to comment on. When your predecessor was here, he said something that you said about our long-term commitments. I hope that when you get an opportunity to talk to the Commander in Chief, that you don't just tip your hat and duck your head and go back. If I am correct in my remembrance, he said, give me a number, if it is 1,000, I will take 1,000; if it is 125, or whatever, but give me a number and leave it alone and let me see where I go with the commitments you are giving me.

When he says do you have enough, you say let me find out under this number. Both of you have testified how different this is for you. I can't tell from what I see, because where I see the cuts, and I am on the Budget Committee, most of the cuts are still coming—the real cuts are coming out of you all.

Number one, I hope when you all get the opportunity, that you express that concern. If you get much lower than this, I don't know how you have enough people to do all this stuff in this green area anyway, with all the types of support things you have got going, much less mission capability beyond that.

So I don't know how you do it in your world, but somebody needs to say enough is enough, sir.

General JOULWAN. May I quickly respond to that? Because I think one of my jobs is to give military advice. In January, when the President came over to Brussels, he asked to meet with me and my four-star commanders, and we met in Brussels.

I said just that to him, that you have to stabilize the force. He asked what is the one thing you need. I said, you have to stabilize the force at 100,000. I would say that again to this committee, as quickly as we can, we must stabilize what we have there so we can meet all these commitments we have, at the same time we are trying to draw down.

We built the force for 40 years of readiness and robustness, but it was very unlikely that it would be committed against a nuclear threat against the Soviet Union.

Now, at the very time we are drawing down the force and have a lower state of readiness, it is a time when it is more likely they will be committed.

That is what I tried to explain to the President, and that is what he grasped, and he said, you have a great challenge over there, and that is when he asked if 100,000 more was enough.

Mr. HOBSON. Or not to go down to that, but to keep the 147,000 you have got. But anyway, that brings me to my second point, which really troubles me.

When we talk about Bosnia and you talk about a peace agreement to which all sides agree, suddenly American troops are being put on the ground as well as in the air, with only 100,000 folks. I don't know how you are going to do that with any degree of numbers. I worry—I don't even want to see that. From your discussion

and others I have had, it is almost predetermined that someplace something is going to happen.

Now, for myself and some other Members, we have got great concern about targets of opportunity. We have got great concerns about our troops being in there as the major force. I don't mind back-up; I don't mind logistical support and communications and other types of things. But if you are going to put a large amount of troops on the ground, under any circumstances, I think it is not only unpopular, but is really difficult, unwise, not good politically.

If that breaks down, you may have a massive amount of casualties in that area when there are European troops—I know there is a certain amount of macho; we want to be in there; the force wants to go in and do its job. I understand that, but there is a greater problem here.

I am very concerned about this predetermination that seems to be out there that this is going to happen. Because you said, you know, when this happens, we are going to do the following.

General JOULWAN. I am not looking for a mission here. I am not looking to send troops, put them in any harm's way, that is not what I am looking for. But I think it is prudent that I am not going to send untrained troops in there. And so if there is a possibility that may occur, my responsibility is to make sure the troops that may go are trained.

Mr. HOBSON. Why can't the Germans send their troops or the French? If you don't want to send Germans, send some French troops and some British troops and some Spanish troops.

Mr. CALLAHAN. Russian troops.

Mr. HOBSON. I am not sure I want a whole lot of Russian troops in there. But there are other forces that are available that have reasonable command structures that can work with you, do work with you now within the NATO command structure, that you can back up.

General JOULWAN. Right now there are roughly 30,000 troops on the ground.

Mr. HOBSON. But they are a different type.

General JOULWAN. Half of them are. Half of them are NATO troops. There are about 6,000 French troops on the ground, 3,000 or 4,000 British; and with little Norway, a population of 4 million people, seventeen hundred are involved in peacekeeping. That is analogous to us having 100,000, Mr. Hobson, given our population.

The Belgians are involved. The Canadians have a battalion there. There are forces on the ground already there, in large number.

So it isn't just the U.S. going in there. If there is a negotiated settlement, U.S. forces may be involved. So I am trying to do all I can, if that is the case, to make sure that the training is there, that the equipment is there, et cetera, et cetera.

If it doesn't happen, it doesn't happen, but if it does happen, it may happen quickly and I have to make sure they are ready.

Mr. HOBSON. You are going to be down to 100,000 troops. I have heard numbers as high as 25,000 or more American troops in there.

Is that prudent? Let's talk about housing and everything else that we are talking about here.

If you have 100,000 troops and you have a mission all over God's creation, a third of the populated world or whatever you have here, is it prudent for you to be planning to put 25,000 troops out of that force into one area?

General JOULWAN. First of all, that is why you have a forward-deployed force. The back-up would have to come—in terms of rotation—would have to come from the United States, but the forward-deployed force gives you a lot of flexibility by having them well forward to do that.

Now, you have other commitments.

Mr. HOBSON. That is at what I am looking. If you get another squabble someplace, you are in big-time trouble.

General JOULWAN. We are planning on that. If we have to commit to Bosnia we have to look at what other forces we have available for other contingencies.

Mr. HOBSON. What about Angola, Georgia, places like that?

General JOULWAN. I don't sense that. I haven't received any instructions to do that, but the larger problem in Africa, to me, is noncombatant evacuation, civilian folks in embassies, et cetera. American folks are living in these countries.

Mr. HOBSON. I remember when I was in the Air National Guard, to have one-fourth of my troops tied down in one area—with all the commitments you have, you guys have to be pretty smart with what you have.

I think there are a lot of people tipping their hats. We better start looking at this very realistically, because we are going to be in a real mess. This is the thing I worry about over everything else, that we bring this thing down so low that we will kill a lot of kids because we have it so low and we take it too low and too fast.

I am old enough to have seen a lot of that. Fortunately, I didn't have to go when there was a lot of shooting. I didn't know it, when I went, what was going to happen. I just fear putting a fourth of your troops or more in there.

We can argue about it all day, but you need to be firm in your discussions with your higher-ups, because the general that had the job before you, I believe, expressed a lot of the same concerns. I don't know whether he is expressing the same concerns now that he has moved up.

General JOULWAN. He and I have discussed this, sir.

Mr. HOBSON. Thank you.

Thank you, Mr. Chairman.

Mr. HEFNER. Nobody has talked about one thing. We have to at some point in time decide where we are going to engage. We talked about, can we handle two contingencies? That is what the strategy is now, that we can fight two events or whatever you want to call them.

We don't know where the vents are going to come. If there is something that happens somewhere in the world, we should not let the press tell us where we are going to get involved.

I remember our basic reason for going to Somalia was feeding starving people and to keep the bandits in line. It didn't make sense you were going to go there and take some food, and all the bandits were going to back off and say, "Yes, come in and feed

these people." It was their mission to starve them to death to start with.

We didn't talk about how much is this going to cost and what we are going to commit. Then when it came time for the bills to be passed, it came out of this budget.

So at some point in time, we have to decide, every place in the world, it is not going to be in our best interests to go and get involved. If we want to take—as the world's policeman, and we are going to be the big brother of the whole world, then there is not enough money in this country, there are not enough young men to input a force that can do all that. It just doesn't make any sense.

The thing we have been spending money on since I have been on here, on the Defense Committee and Appropriations, is some day where we will be able to—I think that was all military people's purpose and everybody's purpose, some day we will get to a position where we can cut back and maybe spend some of our resources on other things.

Nobody likes to spend the money on tanks and warships and planes and what have you if we can't afford it.

We can't continue to heed the news media and go to places we shouldn't be going simply because our emotions tell use we should be going to places we shouldn't go to. Once you get there, it is a lot harder to get out than it is to get in.

I commend all the work you are doing and I wouldn't have your job for—I would rather sell used cars.

Mr. CALLAHAN. If I might echo what you are saying, Mr. Chairman, the Constitution gives the authority for the world defense as well as our national defense to the Executive Branch of Government, and Congress in some years has been too involved and violative of at least the spirit of the Constitution.

this is going to be your decision, but for the last 10 or 12 years, you have been coming to the Congress for reinforcement. For example, we want to invade Kuwait and push the Iraqis out of there. We want to protect Saudi Arabia. You come to Congress for almost a sense of the congress. I guess what I am telling you is don't come to this Congress with a sense of the Congress supporting any ground troops in Bosnia because the support is not there. Don't expect us to back you up with a letter of encouragement or a resolution of encouragement, because it is simply not here.

I think that the administration would be embarrassed. So if they have to do that, the Constitution gives you that authority. You have to do what you have to do, but you don't have the support, I don't think, here in the congress.

General JOULWAN. Mr. Chairman, could I just make one point in quick response to Mr. Callahan because I think I need to make it clear that what we are trying to do and what we are doing—and I think sometimes it is overlooked—is that we are leveraging our allies right now. And the allies are doing more, which goes in line with what you are saying.

We are not trying to be the world's policeman. Eighty percent of the ships are allied ships that are involved in Sharp Guard; sixty-five percent of the aircraft in Deny Flight, and ninety-seven percent of the people on the ground in Bosnia are allied. So I think one needs to recognize that the Europeans are doing more, and one

of the things we are trying to do is to show more of a European identity.

In fact, Europeans talk about that. We are trying to make this combined joint task force where we will give them a headquarters to try to help them. In fact it will be under their own WEU, Western European Union leadership.

We are moving in the right direction. We need some access and influence in Europe, because we fought two World Wars over there, and you can see the ingredients for a third one over there.

How do we leverage it without getting all our troops involved, I think is the challenge we face, and in the two hats that I wear, what we are trying to do.

Mr. CALLAHAN. But if something goes wrong, who is the first to leave and who is the last to leave? the United States of America is always the last to leave.

England pulls out. France pulls out. All of these countries—Norway, all of them will pull out of there if there is a problem, and then we are left there to police a civil war within Bosnia. That is our concern.

Mr. HEFNER. I think that is the point I am trying to make. We have to let reality dictate where we get involved. Is it more important to the Europeans for stability there? Is it more important to them or to us?

The answer is it is more important to them, for God's sake, but you can't go in and dictate to other governments how they operate. Nobody can come here and dictate to us. We can't even agree, but I am just saying that we have to be very careful with our limited resources where we want to go, where we get involved.

When we get involved, we have to do the job that you guys know how to do. I commend you for it. It is an awesome responsibility. We will see you this afternoon.

The committee stands adjourned.

[CLERK'S NOTE.—Questions for the record submitted by Chairman Hefner:]

AVIANO—BEDDOWN OF 401ST TACTICAL FIGHTER WING

Question. We understand that there will be forthcoming a reprogramming request for barracks and a child development center at Aviano Air Base in Italy to support the 401st Tactical Fighter Wing. Are you seeking some form of cost sharing from our NATO allies for this project since the 401st is a NATO mission supporting peacekeeping operations in Bosnia?

Answer. Yes, we will definitely seek cost sharing for this construction. Although these types of facilities are normally not eligible for common funding, the special status of the fighter wing in the Southern Region and the support for NATO Operation Deny Flight leads us to believe NATO will accept some level of funding. The fact that NATO provided funding for urgent runway repairs at Incirlik AB, TU, even though repairs were necessitated by Operation Provide Comfort which is not a NATO operation, and funded urgent runway repairs at Sigonella NAS, IT, indicates NATO nations are willing to support special operations in the Southern Region. While we will be pursuing NATO funding for the Aviano construction, the reprogramming action is urgent to allow immediate

construction start for cost avoidance of about \$5.3 million per year for rental of unaccompanied personnel quarters.

Question. Can we rely on your submitting a pre-financing statement if the Aviano reprogramming is approved?

Answer. Yes. A precautionary prefinancing statement to protect U.S. rights to future recoupment will be submitted prior to any contract award.

Question. Has it been determined that the 401st Tactical Fighter Wing will be permanently based in Aviano.

Answer. Yes. The signing of a memorandum of understanding on 30 November 1993 with the government of Italy permits the basing of two squadrons of 401st (renamed the 31st as of 1 Apr 94) F-16s at Aviano Air Base. Discussions are ongoing to ensure the successful conclusion of an Aviano technical agreement. The first F-16s are scheduled to move from Ramstein AB, Germany, where they are presently based, to Aviano during April, 1994.

BOSNIA—SERBIA: FINANCING THE WAR

Question. Are the Bosnian Serbs relying on the pre stock ammunition and weapons or are they getting supplies from Serbia or elsewhere?

Answer. The Bosnian Serb Army possesses sizeable quantities of weapons—including artillery pieces, tanks, and other armored vehicles, that the "Yugoslav" Army took from the Former Republics of Slovenia, Croatia, and Bosnia, and subsequently handed over to Bosnian Serb and Krajina forces. [Deleted.]

NATO—PARTNERSHIP FOR PEACE WITH RUSSIA

Question. Have any Eastern European nations balked at including Russia under the Partnership for Peace Plan?

Answer. The Eastern countries have not voiced any objections to Russian participation in PFP.

In fact in early February, the Polish Ambassador (Nowak), expressed a keen interest in seeing Russia's constructive and full integration into the European security system.

While Russia has indicated a desire to participate in the PFP program, her leaders are stressing the need for a "special" relationship between NATO and Russia, that would set her apart from other participants. Russia wants a hand in NATO decision-making on European security issues, not only in considering the issues, but also in implementing the solutions.

President Yeltsin, while addressing the new Parliament on 24 Feb, endorsed a PFP open to "all districts of greater Europe without exception", saying that PFP should be "real cooperation and interaction in every sphere."

PARTNERSHIP FOR PEACE—FINANCING

Question. Under our Partnership for Peace commitment, are we building any facilities or training bases in Eastern Europe using NATO funds?

Answer. No. The Partnership for Peace commitment, although still in its infancy, does not involve construction of facilities or training bases in Eastern Europe.

Question. Who finances the Eastern European nations associated costs for participating in Partnership for Peace activities?

Answer. The Partnership for Peace Framework Document, released in Jan, stated that the subscribing states would fund their own (direct costs) participation in Partnership activities.

However, other activities that Partner states are currently engaged in could indirectly benefit nations in preparing for and participating in the PFP program. While these benefits may not be easily measured, they would have a positive effect. Some examples would be: the on-going US bilateral activities being conducted with Partner countries, e.g. joint contact team program, security assistance, and the Marshall Center; the military-to-military programs of Western European nations with former Warsaw Pact nations; as well as multilateral activities between various Partner states and NATO members.

Question. For the record, which nations have been approved in the Partnership for Peace Program?

Answer. All the member nations of the North Atlantic Cooperation Council (NACC) and some of the Conference on Security and Cooperation in Europe (CSCE) member nations were included in the invitation to join PFP.

To date, fourteen nations have signed the framework document, the first step in PFP participation: Romania, Lithuania, Poland, Estonia, Ukraine, Hungary, Slovakia, Latvia, Bulgaria, Albania, Moldova, Czech Republic, Georgia, and Slovenia.

Other nations that have declared their intent to sign are: Russia, Armenia, Kazakhstan, Uzbekistan, Macedonia, and Sweden.

Tajikistan is the only nation that has expressed it would not participate.

PREFABRICATED HOUSING IN RUSSIA

Question. A news report indicates that U.S. funds will be provided to stimulate the production of prefabricated housing that could be used to house retired Russian military. Are such funds a part of the recently agreed upon aid package for defense conversion and not NATO Infrastructure funds?

Answer. NATO infrastructure funds are not involved.

RUSSIAN FAMILY HOUSING

Question. Last year, your Chairman of the Joint Chiefs, (General Shali) testified regarding the critical housing problem in Russia caused by the return of troops from Germany and the Baltic States. How serious a problem is Russian housing and are they receiving any assistance from European nations such as Germany?

Answer. There are serious morale and discipline problems as Russian soldiers and their families return from the relatively good living conditions of Germany to substandard living conditions in Russia. Germany agreed to spend DM 6.1 billion (approx. \$3.6 billion) for the construction of housing for troops returning to Russia from Germany. We are not aware of any other European nations building housing for soldiers in Russia.

RESIDUAL VALUE

Question. Has the United States received any credit or payment in kind in the form of credit from the host nations?

Answer. Yes, the U.S. has received both cash and payment in kind payments from host nations.

Germany deposited DM 5 million (\$3.03 million) in April 1992 and DM 80,000 (\$49,100) in September 1993 in DOMFIRA for installations returned by the US. This year, France has agreed to pay FF 175 million (\$32 million) as residual value for the Donges-Metz pipeline. This payment will be deposited in the DOMFIRA immediately upon receipt.

We have attained significant residual value payment in kind agreements in the past year. In December 93, Germany agreed to fund \$109.7 million RV PIK for 12 Army construction projects in Europe. In February 94, Germany agreed to fund DM 100 million (\$62 million) for upgrades at Ramstein AB for partial returns of Rhein-Main AB. In addition, administrative fees (\$10.7 million) and value added taxes (\$8.9 million) we waived, and environmental remediations costs up to \$20.8 million will be shared.

Question. How much has been applied to military construction requirements, how much to O&M, and how much to base operations?

Answer. To date, all payment-in-kind agreements have been for military construction projects. This re-invests US capital and gives the US the right to make future residual value claims against this re-investment.

OVERSEAS CLOSURE

Question. My understanding is that by 1996, you anticipate reducing the base structure in Europe by 70 percent. Is the United States taking the opportunity to move our troops out of sub-standard facilities into better quality facilities left by the closure?

Answer. To the extent possible, we have maximized the opportunity to move our troops and operations into better quality facilities, however, it has not always been feasible. The quality of facilities is but one of several factors taken into account when deciding which facilities we will retain. Others include flexibility, expandability, and cost. We have successfully minimized costs and turmoil while maximizing operational flexibility and expansion capability.

For example, the Navy has assumed use of a former Air Force installation in the London area (AB High Wycombe) to cut costs and eliminate family housing shortages. Although Frankfurt has excellent facilities, we chose to close our operation there because of high operating costs and the lack of expandability. Although the facilities at Bitburg were arguably better than Spangdahlem, We chose to retain Spangdahlem due to its expandability. As a general guideline, substandard facilities are returned to the host nation and better facilities are being retained for US forces.

NAPLES COMPLEX

Question. What is the status of the "lease construct" initiative of the Naples support site?

Answer. The support site is being lease constructed in three increments. The first increment includes the land for all increments, 500 family housing units with an option for up to 1,000 units, outdoor recreation, and dependent schools. The first increment will be finalized after October 1994 with initial occupancy expected in early 1996. Action on the second and third increments will follow approximately six months later. A replacement hospital is included in the second increment. But, because of its complexity, occupancy is expected to be in the 1997-98 time frame.

Question. Explain all the major facilities that are to be included as a part of the support site.

Answer. The first support site increment will include land for all increments, 500 family housing units with an option for up to 1,000 units, outdoor recreation, and dependent schools. The second increment will include family oriented support facilities such as community centers, chapel, child development center, location store, theater, youth center, and fire station. Concurrent with the second increment will be a Request for Proposal (RFP) for a replacement hospital built to U.S. specifications. The last increment will include additional support facilities such as a fitness center, bowling alley and hobby shop, and retail Navy exchange and commissary facilities.

NATO—U.S. CONTRACTORS

Question. How much of program expenditures for the NATO Infrastructure program are for projects won by U.S. industries?

Answer. Over the last five years, U.S. industries have won NATO funded projects totalling about \$1.7 billion in high-tech contracts and \$106.4 million for civil works in CONUS. High-tech contracts include \$184 million in NATO communications projects, \$200 million in command, control and information systems, \$605 million for air defense systems in Europe and Iceland, and \$670 million for radars and integration of radars in Europe. U.S. firms have been very competitive and have won in excess of 50 percent of all high-tech procurements.

NATO PROGRAM MIX

Question. Under the NATO Infrastructure program, what is the current mix of construction versus procurement costs?

Answer. Sixty percent civil works, which is predominantly restoration and upgrade of existing facilities; forty percent for procurement.

Question. How is the program mix expected to change in the future?

Answer. Due to emphasis by NATO Military Commanders on command, control and information systems, procurement is expected to increase to at least 50 percent of the total infrastructure budget.

NATO—O&M FUNDS

Question. What is the status of efforts to pursue NATO funding support for activities that are nationally funded such as operation

and maintenance at storage sites for U.S. prepositioning war reserve material?

Answer. The Defense Planning Committee (DPC) agreed to language supporting this under the Holmes Initiative. The next step is for SHAPE to develop criteria and standards (C&S), based on USEUCOM input, and get them approved by the Military Committee. As is the case with other projects, SHAPE must program along with other requirements within budget limitations.

NATO—NEW INITIATIVES

Question. Describe the type of new initiatives or new projects that are included in the budget request for NATO Infrastructure.

Answer. The new focus will be on reinforcing nation projects for prepositioned storage and reception facilities, embarkation facilities, and international projects required to tie national systems into NATO wide command and control capabilities.

Question. What percentage of the budget for NATO Infrastructure is for new initiatives?

Answer. Funding levels for new initiatives are still under development. However, new programs will support the Partnership for Peace Program, Combined Joint Task Force (CJTF), and support NATO contingency forces.

NATOS PROGRAM LEVEL

Question. How much of the annual funding requirement for NATO was reduced due to projects no longer required under the new Strategic concept?

Answer. The \$825 million total NATO Infrastructure Program proposed for 1995 is less than fifty percent of pre-1991 annual funding levels, and some \$4.5 billion of prior year projects that were no longer valid under the new Strategic Concept were cancelled.

NATO POLICY—EMBARKATION FACILITIES

Question. What is the NATO policy for funding and cost sharing of embarkation facilities in the Continental United States?

Answer. In general, embarkation facilities that are necessary for U.S. external reinforcement of Europe (and not available through existing national or NATO assets) are eligible for common funding under the restructured NATO Infrastructure Program. However, full NATO support for these and other new U.S. initiatives require Congressional support for the full FY95 NATO Infrastructure budget request.

NATO RECOUPMENT

Question. How much in NATO Infrastructure recoupment is expected?

Answer. \$10 million in FY95.

JSTARS

Question. RAF Fairford has been selected as the European Forward Operating location for six deployed aircraft under the Joint Surveillance Target Attack Radar System program. What is the

current status of the site surveys to determine if another base can accommodate this mission?

Answer. The other two sites considered were Mildenhall, U.K. and Spangdahlem AB, GE. Fairford was chosen by the USEUCOM Air Force component as the most suitable base for the JSTARS program. RAF Fairford is currently a stand-by heavy bomber base and has the needed ramp space and ramp availability to support this important program.

Question. Is NATO financing the military construction requirements for JSTARS?

Answer. No, this has not been proposed as a NATO initiative.

[CLERK'S NOTE.—End of questions submitted for the record by Chairman Hefner.]

TESTIMONY OF MEMBERS OF CONGRESS AND INTERESTED
INDIVIDUALS AND ORGANIZATIONS

TUESDAY, MARCH 16, 1994.

CAMP ATTERBURY, HULMAN REGIONAL AIR NATIONAL
GUARD BASE

WITNESS

HON. PETE VISCLOSKY, A REPRESENTATIVE IN CONGRESS FROM THE
STATE OF INDIANA

STATEMENT OF THE CHAIRMAN

Mrs. MEEK [presiding]. Good morning. The committee will come to order.

I am Carrie Meek, acting chairperson for today. We will be hearing from Members of Congress today and also from individuals and organizations. Chairman Hefner cannot be here this morning and he has asked us to proceed.

We have received prepared statements from today's witnesses and they will appear in full in the record of today's hearing. We ask that you limit your presentations, if possible, to five minutes.

We are glad to have our colleague, Mr. Visclosky, from the State of Indiana. How are you doing? You may proceed and your entire statement will be a part of the record.

STATEMENT OF THE HONORABLE PETER J. VISCLOSKY

Mr. VISCLOSKY. Madam Chairwoman, thank you very much. I would ask that my statement be entered into the record.

I would like to be brief. First of all, I would like to thank you and all the members of the subcommittee on both sides of aisle for the extreme generosity that the subcommittee showed to the request that I made and other Members of Indiana delegation made, particularly as relates to Camp Atterbury.

We were told by the National Guard that not only will the investment that the subcommittee made in the State of Indiana next year improve the situation relative to the military services, but it would also put between 800 and 1,000 people to work.

I am here today to testify on behalf of three projects in the State of Indiana. The first is the Ammunition Supply Point which would be 100 percent federally funded at a cost of \$7.3 million in fiscal year 1995. The Supply Point would be built on Federal land that is licensed to the State of Indiana. Preliminary architectural designs for the facility have been completed and are now under review. The project is critical to support training load at the site and

eliminate numerous excessive safety violations due to the age and condition of the existing World War II facilities.

The second request is to the Central Wash Facility which would also be fully funded at the Federal level. Once completed, the wash facility will eliminate the National Pollution Discharge Elimination System deficiencies at the present antiquated facility.

The final request is for \$3.2 million for a Composite Support Facility to be located at the Hulman Regional Air National Guard Base in Terre Haute, Indiana. At Hulman, key communication and control facilities are scattered through inadequate and outdated facilities. Design and engineering is expected to be completed in January of 1995, with construction following soon thereafter.

Madam Chairwoman, I do appreciate the opportunity to present testimony today before the subcommittee and I look forward to working with you and the other members of the subcommittee as well as the staff in terms of the tremendous demands that I know the committee is under relative to other requests, and in order to prioritize the work again what the committee has.

[The information follows:]

PETER J. VISCLOSKY
1ST DISTRICT INDIANA

COMMITTEE ON APPROPRIATIONS
CONGRESSIONAL STEEL CAUCUS
EXECUTIVE COMMITTEE CHAIRMAN

NORTHEAST-MIDWEST
CONGRESSIONAL COALITION
MIDWEST VICE-CHAIR

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Testimony of
Congressman Pete Visclosky

House Appropriations Subcommittee on
Military Construction

March 15, 1994

Chairman Hefner, Representative Vucanovich, I would like to thank you and the other members of the Military Construction Subcommittee for giving me the opportunity to testify before you today. I would like to discuss with you three Fiscal Year 1995 funding needs for Indiana's National Guard.

First, I must express my appreciation for the funding you provided Indiana's National Guard in Fiscal 1994. The Guard has informed me that, in addition to providing greatly needed facilities for National Guard soldiers and airmen, the funds set aside for Indiana by your subcommittee will employ 800-1,000 people for 18 months to two years.

Prior to last year, very little funding was made available for National Guard facilities in Indiana. A period of 10 years without support added a great burden on state funds to maintain facilities that federal criteria called for replacement. When the Base Realignment and Closure law closed both Fort Benjamin Harrison and Grissom Air Force bases, it devastated not only National Guard support bases but seriously affected reserve forces as well. The closures will significantly add to the burden already carried by the National Guard.

Camp Atterbury is carrying a lot of that burden. Located in Edinburgh, Indiana, Camp Atterbury is a central point of reserve training for a four state area. It is experiencing a large increase in requests for training and facilities. Indiana National Guard officials have informed me that safety absolutely requires a new Ammunition Supply Point to accommodate explosives and munitions. Further, large scale environmental maintenance problems exist due to the lack of a central wash facility at the camp.

The Ammunition Supply Point (ASP) would be 100 percent federally funded at a cost of \$7,340,000 in Fiscal Year 1995. The supply point would be built on federal land that is licensed to the State of Indiana. Preliminary architectural designs for the facility have been completed and are now under review. The ASP project is critical to support training load at the site and eliminate numerous explosive safety violations due to the age and condition of the existing World War II facilities.

The Central Wash Facility would also be fully funded at the federal level. Funding in Fiscal Year 1995 would be \$4,630,000. The project is needed to adequately support maintenance and training at the site. Once complete, the wash facility will eliminate National Pollutant Discharge Elimination System (NPDES) deficiencies at the present antiquated facility.

My final request is for \$3.2 million for a Composite Support Facility to be located at Hulman Regional Air National Guard Base in Terre Haute, Indiana. At Hulman, key communications and control functions are scattered throughout inadequate, outdated facilities. I am aware that state of the art equipment (computer and "high tech" communications systems) is located in facilities that place the equipment at risk due to the Guards inability to control the environment. In addition, a newly assigned unit (a weather flight) is entirely without space. Several other base units do not have adequate space to provide for personnel and operations.

The Composite Support Facility would be 100 percent federally funded and located on land owned by the State of Indiana. Design and engineering are expected to be complete in January 1995 with construction following soon thereafter.

In closing, thank you again you for your support in Fiscal 1994. I know that this year your budget is going to be incredibly tight -- any consideration you can give to these projects for Indiana's National Guard would be greatly appreciated.

Mrs. MEEK. Thank you so much, Mr. Visclosky.

Are you working with our colleagues on the Armed Services Committee to see that the projects at Camp Atterbury and at Hulman Field are considered for authorization this year?

Mr. VISCLOSKY. We do plan to talk to the authorizing committee to make sure there is no jurisdictional problem as far as your subcommittee is concerned.

Mrs. MEEK. I just would like to let you know that our Committee has a problem with the budget request for the National Guard this year. They ask for only one project in the entire country, so you see the trouble we are having to deal with.

Mr. VISCLOSKY. I understand that. We have had extended conversations with the Chairman with whom I also serve on the Defense Subcommittee and he clearly understands the problem and the constraints that you are under.

Mrs. MEEK. All right. Thank you so much. Of course we will give it every consideration.

Mr. VISCLOSKY. Thank you very much.

TUESDAY, MARCH 16, 1994.

ISSUES CONCERNING MILITARY FAMILIES

WITNESS

CATHERINE AHL, NATIONAL MILITARY FAMILY ASSOCIATION

Mrs. MEEK. Ms. Catherine Ahl from the National Military Family Association with issues concerning military families. Welcome. Good to see you again.

CATHERINE AHL, NATIONAL MILITARY FAMILY ASSOCIATION

Ms. AHL. Thank you, Madam Chairwoman.

Military personnel and their families are most grateful to this subcommittee for your continuing support of their quality of life. NMFA supports funding for all family housing included in the fiscal year 1995 request.

In the DOD Family Status and Initial Term of Service Report, commonly referred to as the young family study, it was reported that financing and housing are the two issues causing greatest concern and are at the root of many other problems in the first term of service. The current system of housing allowances does not provide enough for many married junior enlisted members to obtain adequate off-base housing in high cost areas. Junior enlisted members are assigned the lowest priority for on base family quarters and, as a result, three-fourths of all married first-term members live off base.

We would also like the subcommittee to consider adding a child development center to the DOD request. At the Air Force Academy, one of the current facilities is next to the base gas station where fuel storage tanks are being replaced. The playground is adjacent to a main thoroughfare which is being expanded, bringing the road to within a few yards of playing children. In January of 1993, a truck crashed through a fence surrounding the playground. Fortu-

nately, the children were inside napping so no injuries or death occurred.

Two temporary child care centers currently under fire suppression regulation waivers are located far from support agencies in secluded areas. At least \$80,000 would have to be spent in order for these few wooden buildings to meet accreditation requirements. This will still not alleviate the problem of children on the waiting list.

The solution is to build a new child development center on the site proposed by the Air Force located between the housing and the fire station with a playground away from the busy roads. A new center would meet the fire safety codes, alleviate the overcrowded conditions, and provide child care to all those needing it.

Our children thank you for funding the Section 6 construction projects requested last year and for funding new schools at Fort Belvoir and Randolph Air Force Base. DOD requested no funding for Section 6 schools this year. However, there are those needing additions and NMFA hopes you will consider the six projects listed in our written statement.

Two years ago, when I testified before this subcommittee, I spoke about the lack of adequate housing at Fort Huachuca in Arizona. For several days following the hearing, I received phone calls from officials there assuring me that there was no housing problem caused by troop realignment from Fort Devens, Massachusetts. Two years later, I am back before you to report that there are over 400 families on the waiting list for on-post housing.

There are few houses available for rent in the community, and most rentals offered are one- or two-bedroom or studio apartments—there is a waiting list for on-base housing—which shows the majority are waiting for three- or four-bedroom quarters.

Because of the lack of rentals and on-base quarters, some military families are forced to purchase houses. Since BAQ is not keeping up with inflation and costs associated with buying and selling a house are no longer tax deductible, these families may be in financial jeopardy.

BAQ is not providing the 65 percent of national median housing costs as was mandated by Congress in 1985. Since the proposal to reduce military pay in fiscal years 1995 through 1999 also applies to allowances, the amount of unreimbursed housing costs will rise significantly. When neither affordable nor government housing is available families must often separate. The service member becomes a geographic bachelor. With the passage of OBRA in 1993, the cost of moving will become even more expensive for military families.

No longer will these families be able to deduct on their tax returns unreimbursed moving costs such as pre-move house-hunting trips, meals en route to the new duty station, temporary living expenses and costs associated with buying and selling a house. Many families faced with moving to a new location with inadequate or unaffordable housing and faced with losing money on the move may have to make the difficult decision to live apart.

Family separations caused by mission requirements are part of military life. Family separations caused by housing shortages should not be a part of military life.

By 1996, using DOD estimates for inflation and pay raises, an E-6 with two children and eight or less years of service and all personnel junior to that could qualify for the earned income tax credit. As President Clinton described it, this tax credit is designed to help the "working poor" of this country. Seventy-five percent of the enlisted force could be in the category of working poor by 1996.

Many cannot find or afford adequate housing in areas the government orders them assigned. To then expect these same people to deploy on a moment's notice to anywhere in the world to possibly risk their lives while wearing the uniform of the United States seems, at the very least, unfair. Surely it is not too much to ask their government to provide either housing or the financial means to obtain housing in the community.

Thank you very much for listening to the concerns of military families.

[The information follows:]



National Military Family Association

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Alexandria, Virginia 22304
(703) 823-NMFA
FAX (703) 751-4857

Statement of

Catherine Ahl

Director, Government Relations
The National Military Family Association, Inc.

Before the

MILITARY CONSTRUCTION SUBCOMMITTEE

of the

COMMITTEE ON APPROPRIATIONS

of the

U.S. HOUSE OF REPRESENTATIVES

MARCH 15, 1994

Not for Publication
Until Released by
the Committee

The National Military Family Association (NMFA) is a nonprofit, predominantly volunteer organization with membership from the seven uniformed services, active duty, retired, reserve component and their family members and survivors. NMFA is the only national organization whose sole focus is the military family and whose goal is to influence the development and implementation of policies which will improve the lives of those family members.

Mr. Chairman, military personnel and their families are most grateful to you and the members of this Subcommittee for your continuing support of their quality of life. Last year, this Committee appropriated funds to build more Child Development Centers and more units of family housing than requested by the Department of Defense (DoD).

FAMILY HOUSING

NMFA supports funding for all family housing included in the FY 95 DoD request. The DoD Family Status and Initial Term of Service report, commonly referred to as the "Young Families Study," was released in December 1993. In the study, first-term service members, family members, and leaders all reported that "finances and housing are the two issues causing greatest concern - and are at the root of many other problems manifest in the first term of service". The fact that "many married junior enlisted members have financial problems, especially in localities with high off-base housing costs" certainly shows that the "current system of housing allowances does not provide enough for many married junior enlisted members to obtain adequate off-base quarters in high-cost areas." Junior enlisted members are assigned the lowest priority for on-

base family quarters. As a result of this policy, "three-fourths of all married first-term members live off-base."

By 1996, using DoD estimates for inflation and pay raises, an E-6 with two children and eight or less years of service (and all personnel junior to that) could qualify for the Earned Income Tax Credit (EITC). As President Clinton described it, this tax credit is designed to help the "working poor" of this country. Seventy-five percent of the enlisted force could be in the category of "working poor" by 1996. Many cannot find or afford adequate housing in areas the government orders them assigned. To then expect these same people to deploy on a moments notice to anywhere in the world to possibly risk their lives while wearing the uniform of the United States seems, at the very least unfair. Surely it is not too much to ask their government to provide either housing or the financial means to obtain housing in the community.

UNACCOMPANIED PERSONNEL HOUSING (UPH)

The "Young Families Study" also found a "significant disparity in funding support between Married Family Housing (MFH) and UPH. The ratio of dollars spent per house to dollars spent per bachelor space is greater than three to one." Both construction and operation funds for MFH are included in the MILCON appropriation, but UPH operation funds come from the Operations and Maintenance (O&M) appropriations. Funding intended for married quarters must be used for that purpose, while base commanders may decide to use funds intended for bachelor housing for operational missions instead. The recommendation contained in the study is to place funding for unaccompanied

personnel housing in the same appropriation as military family housing. NMFA strongly supports this recommendation.

CHILD DEVELOPMENT CENTERS

Two wage earner families are becoming the norm in the military just as they are in the civilian sector. Plans by the Department of Defense to hold annual military pay raises below the estimated inflation rates through 1999, will make two income families almost universal. We certainly anticipate an increase in the need for safe and adequate child care.

We would like to make a special plea for a new Child Development Center at an installation bound to remain open, the Air Force Academy. One of the current facilities is adjacent to the base gas station where fuel storage tanks are being replaced. (See Attachment #1.) The playground is adjacent to a main thoroughfare which is being expanded, bringing the road to within a few yards of the playing children. (See Attachment #2.) In January 1993 a truck crashed through the fence surrounding the playground. Fortunately the children were inside napping so no injuries or deaths occurred.

Two temporary child care facilities, currently under Fire Suppression Regulation Waivers, are located far from support agencies in a secluded area. (See Attachment #3.) At least \$80,000 will have to be spent in order for these two wood construction buildings to meet accreditation requirements. This will still not alleviate the problem of the 70 children on the waiting list. The eight accredited child care centers in the local community available to Air Force personnel are located ten to twenty three miles from the Academy and cost

\$120 a week as opposed to \$53 a week at the base facilities. The solution is to build a new Child Development Center at the site proposed by the Air Force, located between the hospital and fire station with a playground behind the facility and away from traffic. The new center would meet the fire safety codes, alleviate the overcrowded conditions, and provide child care to all those needing it.

SECTION SIX SCHOOLS

After years of not requesting improvements/additions/alterations to Section Six Schools, the FY 94 budget included 12 such requests. In addition to funding those requests, you also appropriated funds for new schools at Fort Belvoir and Randolph AFB. Mr. Chairman, our children thank you. This year, however, there are again no requests for Section Six Schools. There are six schools that need additions: Maxwell Air Force Base, Alabama; Fort Benning and Fort Stewart, Georgia; Beaufort Marine Corps Air Station and Fort Jackson, South Carolina; and Dahlgren Naval Surface Weapons Center, Virginia. Any consideration to these projects by this Subcommittee would be greatly appreciated.

DOWNSIZING AND BRAC

An Older Force

As the force is downsized, it is anticipated it will become an older force. An older force usually means more servicemembers will be married and have children. Therefore, while the force is decreasing in total numbers, the

percentage of servicemembers requiring family housing and Child Development Centers will increase.

No Vacancy

As installations close, families will move to remaining bases which have "no vacancy" signs hanging at the gate. NMFA does not object to DoD's stated objective of relying on local communities first to provide housing for military families. The concern is when communities are not able to absorb large numbers of families moving in as further closures and realignment are implemented.

Two years ago when I testified before this Subcommittee, I spoke about the lack of adequate housing at Fort Huachuca. For several days following the hearing I received phone calls from officials at Fort Huachuca assuring me there was no housing problem caused by troop movement from Fort Devens, Massachusetts. Two years later, I am back before you to report there are over four hundred families on the waiting list for on-post housing, there are few houses available for rent in the community, and most rentals offered are one or two bedroom or studio apartments. The waiting list for on-base housing shows the majority are waiting for three or four bedroom quarters. Because of the lack of rentals and on-base quarters, some military families are forced to purchase houses. Since BAQ is not keeping up with inflation, and the costs associated with buying and selling a house are no longer tax-deductible, these families may be in financial jeopardy. Even those able to find adequate rentals lose money each month because housing allowances are not keeping up with inflation.

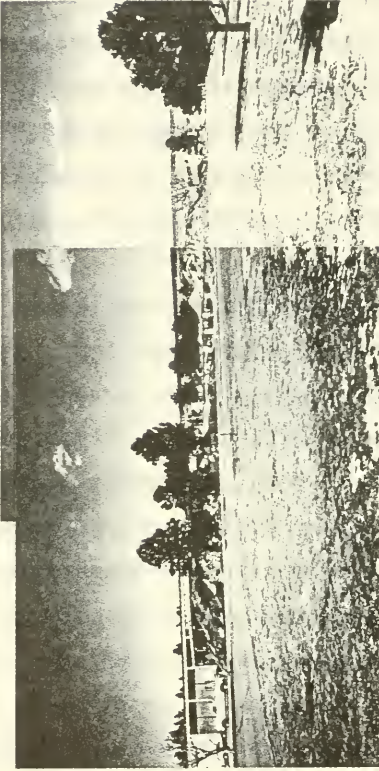
Family Separations

Basic Allowance for Quarters (BAQ) is not providing the 65% of national median housing costs by grade of sponsor, as was mandated by Congress in 1985. Since the proposal to reduce military pay in FY 95 through FY 99 also applies to allowances, the amount of unreimbursed housing costs will rise significantly. If housing costs around a gaining installation rise higher (as is usually the case) than regional/national levels, some military families may be unable to obtain affordable housing. When neither affordable nor government housing is available, families must often separate. The servicemember becomes a "geographic bachelor." With the passage of OBRA in 1993, the cost of moving will become even more expensive for military families. No longer will these families be able to deduct on their tax returns unreimbursed moving costs such as pre-move house hunting trips, meals enroute to the new duty station, temporary living expenses for up to 30 days at the new location, and costs associated with buying or selling a house. Many families faced with moving to a new location with inadequate or unaffordable housing and faced with losing money on the move may have to make the difficult decision to live apart. Family separations caused by mission requirements are part of military life. Family separations caused by housing shortages should not be part of military life.

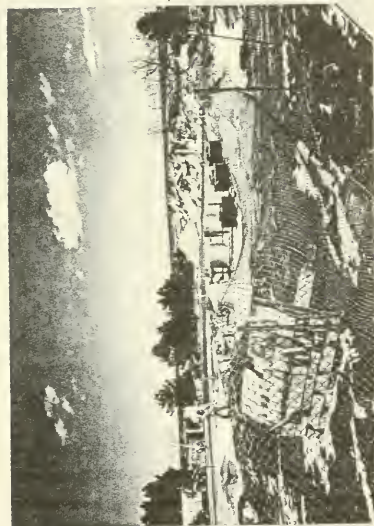
In conclusion, NMFA again thanks you, Mr. Chairman, and the members of this Subcommittee for listening to the concerns of military families.

GAS STATION

TANKS BEING REPLACED



← CHILD CARE
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ROOFS
VICIN

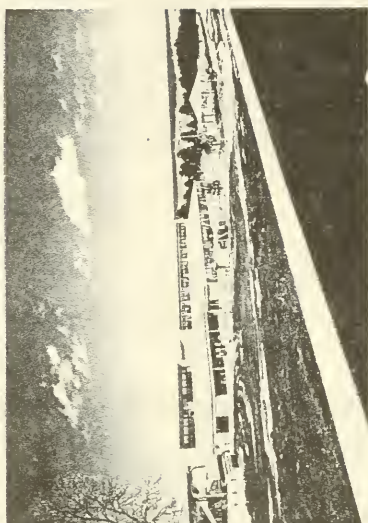


← CHILD CARE
CENTER (WHITE ROOF)

← GAS STATION
TANKS

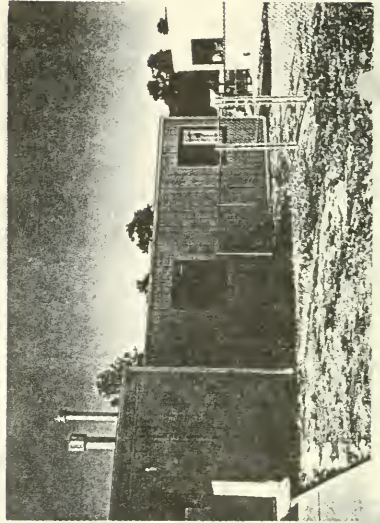
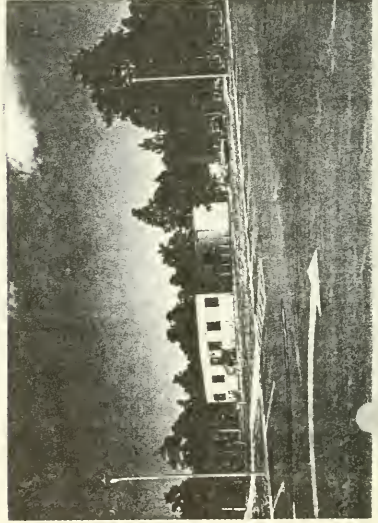
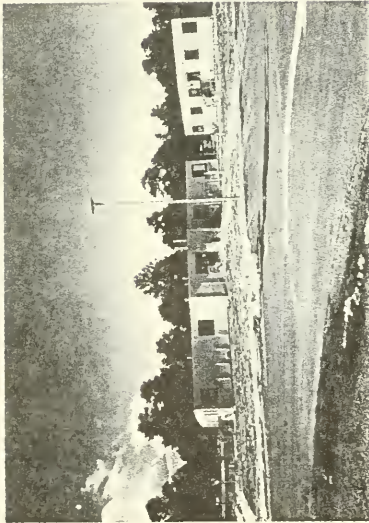
CHILD CARE
CENTER

ROAD WIDENING
NOTE PROXIMITY →
TO PLAYGROUND



Attachment #2

TEMPORARY CHILDCARE SITES WOODEN STRUCTURES



Attachment #3

Mrs. MEEK. Thank you, Ms. Ahl. I listened to you very intently when you came before this committee last year. This year you came with equal concerns that were very well stated and very instructive. Thank you for your informed and thoughtful testimony.

Your issues are extremely important to all Members of the committee, specifically the women on this committee are very much attuned to this need. I want to say to you, we will give your issues the utmost amount of consideration.

Ms. AHL. Thank you very much. I appreciate it.

TUESDAY, MARCH 16, 1994.

BASE REALIGNMENT AND CLOSURE

WITNESS

HON. GEORGE MILLER, A REPRESENTATIVE IN CONGRESS FROM THE STATE OF CALIFORNIA

STATEMENT OF THE HONORABLE GEORGE MILLER

Mrs. MEEK. The next witness is my esteemed colleague, the Honorable George Miller from California, on base realignment and closure.

Mr. MILLER. Thank you, Mrs. Meek. Thank you, and thank you for giving us this time to express our concerns as well as our appreciation for what this committee has done in dealing with the issue of base closure and recognizing that base closure is taking up more and more of the budget that is allocated to this committee and the competing requests that you have.

I represent Mare Island Naval Shipyard. That is a 140-year-old naval shipyard in the middle of my district and we are slated for an accelerated closure in 1995. This is probably the most crucial year in the remaining life of this naval facility because it is a question of whether or not we will be able to meet our closure date and realize the savings both for the Federal Government and for our community in bringing this facility back on line into an alternative economic use.

Mare Island is scheduled to complete closure in the spring of 1996 before most other bases on the 1993 BRAC list will even begin their closure process. This is a very short timeframe but it is expected by the Navy to realize very large savings as a result of this rapid closure of this nuclear facility.

The key to this closure is the cleanup of this facility of the environmental problems that we have. Recognizing that, we have engaged in something that is rather unique and I think demonstrating a rather high level of ingenuity and cooperation and motivation within the facility and that is that we have put together the ability to use the existing employees in the cleanup for that facility as part of the retraining of those same people.

We have been able to do this by bringing in the universities, bringing in other educational facilities to give them real-time training as they are doing their jobs and learning to do a new job on the facility, and we now see this is dramatically shortening the time frame and the cost of cleaning up this facility.

This group's first task is the environmental baseline survey which normally takes an outside contractor a full year to complete was finished in only four months. Not surprisingly, the cost in savings of this successful program has captured the attention and support of the Office of Environmental Security within the Department of Defense and is itself being used as an example of innovative success that can result from flexibility and cooperation with the base closure process.

The message that I have for this subcommittee today is that we do not want to bring about an abrupt halt due to a lack of funding. We are now informed by the Navy that this base should only anticipate some 25 percent of the amount that had been requested by the commander of the base for this closure in this fiscal year. We would hope that this subcommittee would see and understand the innovation that is taking place here, the savings that are taking place and the ability to close this base on time and within budget. We think we are able to do that if we can continue the level of funding that is so important.

The impact of failure to fund this is really rather dramatic. Not only will we experience a very large RIF beginning in fiscal year 1995, but that rift will also impact on the very people that we are training to engage in the closure who are at the base at that time. And what that means is not only will it be delayed because of lack of funds and manpower but we will then, in the process of perhaps having to bring in an outside contractor which will drive up the costs, delay the process that is already being engaged in.

The personnel at Mare Island Naval Yard have been dealing with environmental problems within the Navy for many, many, many years. They have traveled throughout the Pacific basin dealing with these issues and are ideally suited to do this. The closure will obviously also extend the costs of closure and postpone the realization much savings.

I would hope that this committee will be able to provide the full funding of the request of the commander so that we can in fact get this done by the scheduled date. We experienced the largest civilian job loss because of base closures in this last round.

President Clinton visited the San Francisco Bay area. He pledged that in fact this round would be different from what previous administrations have done. And we have relied on that and the community has relied on that. And we have pulled together a reuse committee that has a degree of harmony I think not experienced in most communities and innovation that clearly has not been matched.

We would hope that you would give full consideration to our concerns and the impact that a budgetary shortfall at this time will have on both the closure and the ability to follow through with this rare, unique retraining of current personnel at the base. And I appreciate you taking your time to listen to me.

[The information follows:]

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TESTIMONY OF
CONGRESSMAN GEORGE MILLER
before the
SUBCOMMITTEE ON MILITARY CONSTRUCTION

March 15, 1994

Mr. Chairman, members of the Subcommittee, thank you for allowing me to testify today regarding an issue of utmost importance to me and my constituents -- sufficient funding of the Base Realignment and Closure Account.

As you know, the 140-year-old Mare Island Naval Shipyard was approved to be closed in the 1993 defense base realignment and closure process. I want to take this opportunity today to tell you that in no uncertain terms, fiscal year 1995 is the most crucial funding year in the short remaining history of the shipyard. If Mare Island does not receive adequate BRAC funding in FY 1995, the closure and environmental clean-up work will slow to a perilous pace. This will postpone the scheduled closure date, delay the DOD's realization of savings, and prevent the recovery of the area's economy and reemployment of the hardworking families who live there.

The Navy plans to complete the closure of Mare Island in the spring of 1996, before most other bases on the 1993 BRAC list will even begin their closure process. This short time-frame will allow the Department to quickly begin realizing the large savings in operating costs that will result from the closure of a nuclear facility. But it also will compound the effect on the local community. Direct job losses will be over 5,500 in just one and a half years.

The community and the shipyard employees have been working hard to mitigate this effect through rapid planning and innovative programs. As you are fully aware, it is the responsibility of this Congress and your Subcommittee to provide them with the funding to close the base on schedule so that the rebuilding of the local economy can begin.

Soon after the closure announcement, the shipyard employees and the community, recognizing the importance of rapid reuse of the facility, formed a reuse committee called the Futures Committee.

According to staff at the Defense Department and journalists who have covered the closure of Mare Island, the Futures Committee has been a model organization demonstrating high levels of

ingenuity, cooperation, and motivation. It is the first reuse group formed after BRAC 1993 to complete its draft reuse plan, and the Committee estimates it will complete and submit its final plan to the Office of Economic Adjustment this summer.

More importantly for our purposes today, I would like to highlight a program being run with BRAC funding at the shipyard itself. The employees and the shipyard commander crafted and implemented a plan using the current employees to perform the clean-up and closure work that must be completed before the base can be turned over for reuse.

As you know, Mr. Chairman, this work is normally done by outside contractors and has never before been performed by existing employees at a closing base. However, an initial survey of the employees conducted in the planning stage of this ambitious program revealed that outside contractors were unnecessary. The current employees have almost all of the required expertise for performing this work, and with the help of local educational organizations, classes are being held on the base to fill any additional educational requirements.

The results of this program have been outstanding. In fact, the group's first task, the "Environmental Baseline Survey" -- which normally takes an outside contractor a full year to complete -- was finished in only four months.

Not surprisingly, the cost and time saving success of the program has captured the attention and support of the Office of Environmental Security within the Department of Defense itself and is being used as an example of innovative success that can result from flexibility and cooperation in the base closure process.

But Mr. Chairman, the message I bring to you and your subcommittee today is that this success is about to come to an abrupt halt due to lack of funds. The Navy has informed the base that it should anticipate BRAC funding for FY 1994 at only 25% of the amount request by the commander of the base.

The domino effect of this funding shortfall is far-reaching:

- First, the yard will likely have a large reduction-in-force of 2,500 people at the beginning of Fiscal Year 1995. Many of the employees that will be RIFed are the very ones that are currently preparing to perform the closure and clean-up work at the base.
- Second, the completion of the closure and clean-up work on the base will be delayed due to the lack of funds and manpower.
- Third, outside contractors will have to be hired to complete the work that the current employees can and have been doing faster and at a much lower cost.

○ Fourth, the date for closure will have to be extended and the realization of the savings to the U.S. Treasury will be delayed.

○ Ultimately, the economic recovery of this area will be stayed, keeping unemployment rates at an all-time high.

Clearly, if the Navy deserts Mare Island without performing the required environmental mitigation and closure work, the community's efforts to replace those jobs and reuse the base will have been in vain. Your subcommittee has the power to put the closure of Mare Island Naval Shipyard back on track by providing sufficient funds for the BRAC account in FY 1995.

Mr. Chairman, I fought hard along side my community last year to keep the shipyard open. Having lost, however, we went right to work to build a new future at the base. The community has done everything the government asked, and done it well. The Navy and the Congress have an obligation to meet their half of the bargain. I urge you to ensure full funding for the Base Closure Account at Mare Island and the other closing facilities. Please do not allow the hearts, and the backs, of these hardworking people to be broken a second time.

Thank you.

Mrs. MEEK. Thank you so very much.

This committee certainly has a real strong and sympathetic understanding of what you are going through with base closure and the reuse plan that you have so creatively put together at your base. As far as the cleanup work is concerned, I think that your plan is one that has demonstrated success and it is a model that probably could be used or replicated throughout the country where other bases are closing.

But as far as the funding levels for base closure are concerned, this subcommittee has worked very hard, since 1988, to be sure that the Department of Defense would have the flexibility to take care of this and have enough money to get the job done.

The Department has the latitude, not us, to determine how these appropriated funds are allocated by service, by base, and by program, such as environmental cleanup. In addition, the Department has unobligated funds which can be distributed among the services to avoid or minimize the kind of delay which you have described here.

This committee has told the Department that we would expect them to utilize this kind of flexibility in closing the many gaps that are out there now and they have that flexibility.

I appreciate your concern. I know of your strong interest and commitment, and certainly we will look forward to doing our very best and being sure that the Department uses the flexibility which the committee has given it.

Mr. MILLER. Thank you. Thank you very much.

TUESDAY, MARCH 16, 1994.

NAVAL SURFACE WARFARE CENTER CRANE

WITNESS

HON. FRANK McCLOSKEY, A REPRESENTATIVE IN CONGRESS FROM THE STATE OF INDIANA

THE HONORABLE FRANK McCLOSKEY

Mrs. MEEK. The Honorable Frank McCloskey from Indiana for Naval Service Warfare Center Crane.

Mr. McCLOSKEY. Madam Chair, it is good to see you. Obviously, you are working away. Thank you for your time and attention.

As you mentioned, I am here about a project for the Crane Naval Service Warfare Center in the center of my district at Crane in southwestern Indiana, and what we are asking for in essence is the moving up by one year of a Navy proposed \$8 million electro-optics center. The optics center will be used to inspect, test, evaluate, and maintain night vision equipment used by all surface ships, special operator forces of the Navy and other DOD services.

Madam Chair, if you would just accept my full statement for the record, the workload is anticipated to pick up. Currently the mission is accomplished under very, very difficult conditions with the program scattered out among five buildings at the center, particularly some of them are as old as World War II vintage and indeed the Navy is losing money by not having this facility in operation.

Again, it is a one-year move up it is very needed. The Crane people do outstanding work and we would just appreciate positive consideration by yourself and your committee.

[The information follows:]

March 15, 1994

STATEMENT OF CONGRESSMAN FRANK McCLOSKEY

I AM PLEASED TO APPEAR BEFORE THE SUBCOMMITTEE IN SUPPORT OF A MILITARY CONSTRUCTION PROJECT AT NAVAL SURFACE WARFARE CENTER CRANE INDIANA.

THIS PROJECT, AN \$8 MILLION ELECTRO-OPTICS CENTER, WILL BE USED TO INSPECT, TEST, EVALUATE AND MAINTAIN NIGHT VISION EQUIPMENT USED BY ALL SURFACE SHIPS, SPECIAL OPERATING FORCES (SOFS) OF THE NAVY, AS WELL AS OTHER DEPARTMENT OF DEFENSE (DOD) SERVICES.

AS THE PERSIAN GULF WAR DEMONSTRATED, THE ABILITY TO OPERATE IN THE NIGHT IS CRUCIAL TO OUR MILITARY CAPABILITY AND SUCCESS.

CURRENTLY, OVER 8,000 ELECTRO-OPTIC UNITS ARE CYCLED THROUGH 20,000 SQUARE FEET OF FLOOR SPACE SCATTERED AMONG FIVE BUILDINGS INCLUDING A MODIFIED WORLD WAR II WAREHOUSE BUILDING. THE PROJECTED SYSTEMS INVENTORY SHOULD REACH 36,000 UNITS IN THE NEAR FUTURE, 15,000 OF WHICH ARE EXPECTED TO BE RETURNED TO NSWC CRANE FOR STOCK SURVEILLANCE, OVERHAUL, OR REPAIR. THE NEW STRUCTURE WILL PROVIDE FOR 65,000 SQUARE FEET IN A NEW MODERN FACILITY.

THE NAVY HAS FOUND THAT WITHOUT THIS NEW STRUCTURE, THE

PROJECTED WORK LOAD CANNOT BE ACCOMPLISHED AND THE IMPACT UPON FLEET READINESS, IN BOTH BLUE WATER AND LITTORAL ENVIRONMENTS, WILL BE DECIDEDLY NEGATIVE.

THE NEW FACILITY SHOULD PAY FOR ITSELF THROUGH EFFICIENCY SAVINGS WITHIN 1.3 YEARS.

THE NAVY WOULD INCLUDE THIS MILITARY CONSTRUCTION PROJECT IN ITS FISCAL YEAR 1996 BUDGET. MOVING THIS PROJECT FORWARD WILL ENABLE THE NAVY TO MORE EFFECTIVELY MAINTAIN ITS ELECTRO-OPTIC AND NIGHT VISION EQUIPMENT AND TO SAVE MONEY THROUGH A MORE EFFICIENT APPROACH THAN IS CURRENTLY THE CASE.

I AM ALSO WORKING WITH THE AUTHORIZING COMMITTEE AND EXPECT THAT THIS MILITARY CONSTRUCTION PROJECT WILL BE INCLUDED IN THE FISCAL YEAR 1995 DEFENSE AUTHORIZATION BILL.

Mrs. MEEK. Thank you very much. It is my understanding from your testimony that you are working with the authorizing committee and, of course, this committee is——

Mr. MCCLOSKEY. On which I serve on the subcommittee.

Mrs. MEEK. So you won't have any problems.

Mr. MCCLOSKEY. I didn't say that.

Mrs. MEEK. We are happy that the authorizing committee is aware of this project. We work very hard to keep these two committees in step with each other. And I appreciate your appearing here.

Mr. MCCLOSKEY. Thank you very much.

Mrs. MEEK. Mr. Hobson.

Mr. HOBSON. My family are all from Bedford, Indiana, so I want to support Indiana if we can, even though I am from Ohio.

Mr. MCCLOSKEY. You know what that means to the area: economy, employment, and national security. It is a great place. Thank you, Mr. Hobson. I appreciate that.

Mr. HOBSON. Thank you.

TUESDAY, MARCH 16, 1994.

GUAM NATIONAL GUARD, NAVY UPGRADE OF PITI POWER PLANT

WITNESS

**HON. ROBERT UNDERWOOD, A REPRESENTATIVE IN CONGRESS FROM
THE TERRITORY OF GUAM**

STATEMENT OF THE HONORABLE ROBERT UNDERWOOD

Mrs. MEEK. The Honorable Robert Underwood, from Guam.

How are you doing?

Mr. UNDERWOOD. Good morning. Good morning, Madam Chair.

Thank you, Madam Chairman, for allowing me to testify before the subcommittee today. I have two important issues to raise, the first relating to Guam's National Guard and the second to a Navy power plant in need of repair and a commitment made by the Navy on Guam.

First, the National Guard of Guam needs to continue its much-needed facilities improvements. The physical needs of our unit have been long ignored. In fact, we just recently learned that every State and territory in the American territory except Guam runs an armory facility for its guard unit. Unfortunately, our guard personnel have been using barracks abandoned by foreign construction workers as the major facility through which they operate.

I am pleased to say that this subcommittee has graciously allowed work to go forward last year and I am confident will continue its support this year. As I indicated last year, the Guam National Guard does not have adequate facilities, especially given its vital role in disaster relief, and I know you are familiar with the role of the guard in disaster relief and Guam seems to be plagued with a continuing series of natural disasters.

This year, the Adjunct General Duenas is requesting funds to construct an operations and training facility for the Air National Guard at a project cost of \$2.2 million and I am submitting with my testimony a copy of the General's request.

Regarding my second issue, I am concerned that the Navy will fail to meet its obligation to our local power authority. The Navy currently owns an important power station on Guam and, in 1984 Congress, directed the Navy to become a customer of the local power authority and by 1995 to get out of the power business and turn over its assets in good working condition to the local authority.

In anticipation of this transfer, the Navy originally proposed upgrading two deteriorated units at Piti and this project was never funded. And this year, although I understand that the local command pushed for it, the Navy made no request to replace deteriorated equipment at the Piti Power Plant.

Madam Chair, I understand the funding pressures we are under this year especially when MilCon took a hit to help make up for the current Defense budget shortfall. However, the Guam Power Authority, I believe, relied in good faith on the agreement reached with the Navy and should not inherit inoperable equipment and most of our base load generators on Guam were installed decades ago and have outlived their useful lives.

Our local Navy commands supports the construction of a new power facility fully recognizes the commitment they made to the people of Guam and the tremendous need for an enhancement of an island-wide power system. Guam cannot purchase electrical power from a nearby jurisdiction. As you well understand, we are out in the middle of the ocean and when these units go down, as they frequently do, the people of Guam suffer through rolling brownouts and I believe this is a very necessary project.

Again, Madam Chair, I fully recognize the dilemma we are in. And yet I come before this subcommittee asking for assistance on two very necessary projects: The economic health, safety, and welfare of the people of Guam is at stake here and these two projects that should survive all scrutiny and should be funded in these difficult times.

Thank you.

[The information follows:]

CONGRESSMAN ROBERT A. UNDERWOOD
TESTIMONY BEFORE THE HOUSE APPROPRIATIONS
SUBCOMMITTEE ON MILITARY CONSTRUCTION
MARCH 15, 1994

Thank you, Mr. Chairman, for allowing me to testify before the subcommittee today. I have two important issues to raise, the first relating to Guam's National Guard and the second to a Navy power plant in need of repair.

First, the National Guard of Guam needs to continue its much-needed facilities improvements. The physical needs of our unit have long been ignored. In fact, we have learned that every State and Territory in the American family except Guam runs an armory facility for its guard unit. Our Guard personnel have been using barracks abandoned by foreign construction workers.

I'm pleased to say that this subcommittee graciously allowed work to go forward last year, and I am confident will continue its support this year. As I indicated last year, the Guam National Guard does not have adequate facilities, especially given its vital role in disaster relief. This year, General Duenas is requesting funds to construct an Operations and Training Facility for the Air National Guard, at a project cost of \$2.2 Million. I am submitting, with my testimony, a copy of the General's request.

Regarding my second issue, I am concerned that the Navy will fail to meet its obligation to our local power authority. The Navy currently owns an important power station on Guam. In 1984, Congress directed the Navy to become a customer of the local power authority and, by 1995, to turn over its assets in good working condition to the local authority.

CONGRESSMAN ROBERT A. UNDERWOOD

PAGE 2

In anticipation of this transfer, the Navy originally proposed upgrading two deteriorated units at Piti. That project was never funded. This year, the Navy made no request to replace deteriorated equipment at the Piti power plant.

Mr. Chairman, I understand the funding pressures we are under this year, especially when Milcon took a heavy hit to help make up for the current defense budget shortfall. However, the Guam Power Authority, I believe, relied in good faith on the agreement reached with the Navy and should not inherit inoperable equipment. Most of our base load generators on Guam were installed decades ago, and have out-lived their useful lives.

Our local Navy command supports the construction of a new power facility, fully recognizing the commitment made to the people of Guam, and the tremendous need for an enhancement to the island-wide power system. Guam cannot purchase electrical power from a nearby jurisdiction. When these units go down, as they frequently do, the people of Guam suffer through rolling brown-outs. This is a necessary project.

Again, Mr. Chairman, I fully recognize the dilemma we are in. Yet I come before this Subcommittee asking for assistance on two very necessary projects. The economic health, safety and welfare of my constituents is at stake here. These are two projects that should survive all scrutiny and that should be funded in these difficult times.

Thank you and Si Yu'os Ma'asse.

1. COMPONENT ANG		FY 1996 MILITARY CONSTRUCTION PROJECT DATA		2. DATE 14 JUL 93	
3. INSTALLATION AND LOCATION ANDERSEN AIR FORCE BASE GUAM			4. PROJECT TITLE OPERATIONS & TRAINING FACILITY		
5. PROGRAM ELEMENT 55296F	6. CATEGORY CODE 171-445	7. PROJECT NUMBER AJJY939660	8. PROJECT COST (\$000) \$2,200		
9. COST ESTIMATES					
ITEM	U/M	QUANTITY	UNIT COST	COST (\$000)	
Operations & Training Facility	SF	9,500	\$170	\$1,615	
Supporting Facilities				380	
Prewired Workstation	LS			(130)	
Utilities	LS			(160)	
Pavements	LS			(60)	
Site Improvements	LS			(30)	
Subtotal				1,995	
CONTINGENCY (5%)				100	
TOTAL CONTRACT COST				2,095	
SUPERVISION, INSPECTION AND OVERHEAD (5%)				105	
TOTAL REQUEST				\$2,200	
TOTAL REQUEST ROUNDED				\$2,200	
10. DESCRIPTION OF PROPOSED CONSTRUCTION Building slab on grade with foundation, CMU walls, columns, concrete roof, and associated electrical, mechanical, and civil/structural systems. Includes site preparation, utilities, and pavements. Air Conditioning: 40 Tons. 11. REQUIREMENT: 9,500 SF ADEQUATE: 0 SUBSTANDARD: 0 PROJECT: Operations & Training Facility (Current Mission). <u>REQUIREMENT:</u> Facility required to provide for reserve forces operational training. Functional areas required are administration, personnel, financial management, resource management (logistics, contracting), transportation and vehicle management & operations), recruiting, social actions, public affairs, legal services, air surgeon, disaster preparedness, communications and computer systems, safety, group and headquarters staff offices, partitionable briefing, classrooms, and training room, restrooms, storage areas, and utility room. <u>CURRENT SITUATION:</u> Personnel of the 254 ABG, the 254 SVF and HQ GUANO currently occupy the same facilities as the 254 CES, the BASE Civil Engineer. The existing building was originally designed for 77 base engineer personnel, shops, and storage. It is insufficient to support the growth of the Guam ANG to 180 UTA personnel comprising the 254 CES, 254 ABG, 254 SVF, and HQ GUANO. This additional space is required to support the larger space requirements of necessary equipment and supplies. <u>IMPACT IF NOT PROVIDED:</u> Inefficient operations. Administrative, readiness training support, and personnel morale will be degraded and negatively impacts the ability to meet mission requirements. There is insufficient security and protected separation of all accountable equipment and supplies by each function.					

1. COMPONENT NAVY		FY 1995 MILITARY CONSTRUCTION PROJECT DATA		2. DATE OCT 1993	
3. INSTALLATION AND LOCATION U.S. NAVY PUBLIC WORKS CENTER, GUAM			4. PROJECT TITLE ELECTRIC POWER PLANT - DIESEL		
5. PROGRAM ELEMENT	6. CATEGORY CODE 811-10	7. PROJECT NO. P-246 (Formerly P-227)	8. PROJECT COST (\$000) 21,600		
9. COST ESTIMATES					
ITEM	U/M	QTY	UNIT COST	COST (\$000)	
PRIMARY FACILITY	LS	--	--	20,570	
SUPPORTING FACILITIES	LS	--	--	0	
SUBTOTAL	--	--	--	20,570	
CONTINGENCY (5%)	--	--	--	1,029	
TOTAL CONTRACT COST	--	--	--	21,599	
TOTAL REQUEST	--	--	--	21,599	
TOTAL REQUEST (ROUNDED)	--	--	--	21,600	
EQUIPMENT PROVIDED FROM OTHER APPROPRIATIONS	--	--	NON-ADD	(0)	
10. DESCRIPTION OF PROPOSED CONSTRUCTION Provide funds for payment of the Navy's share of construction cost for a 40 Megawatt (MW) baseload generator unit for the Guam Island Wide Power System (IWPS).					
11. REQUIREMENT: (As required)					
PROJECT: Provides Navy contribution to the cost of construction for additional generation capacity. REQUIREMENT: The Navy and Guam Power Authority (GPA) have jointly operated under a Power Pool Agreement since October 1972 to share the use of and cost to operate and maintain the Navy's and GPA's generation plants and transmission systems to serve the Guam Island Wide Power System (IWPS). By U.S. Congressional direction, the Navy is working to terminate the existing Customer Agreement and become a fullcustomer of GPA. Under the terms of both the initial Power Pool Agreement and the subsequently negotiated Customer Service Agreement, the Navy is obligated to have its Piti Power Plant producing adequate and reliable power for current and future IWPS loads. Since it would cost approximately \$24 million to repair two of the five Piti Power Plant generators in order to maintain a dependable and safe operation, the Navy will, instead, just share with GPA the cost of construction a new 40 Megawatt (MW), slow-speed, diesel baseload generating unit that GPA will construct. The Navy will provide GPA with \$21.6 million, approximately the equivalent amount proposed in PWC MCON P-227 for replacement of Piti Power Plant Unit Nos. 2 and 3, as a means of fulfilling its obligations. CURRENT SITUATION: Piti Power Plant is a component of the IWPS under the Customer Service Agreement. The Power Plant has five steam turbine-generator units. Three of these units, Units No. 1 through 3, are low pressure units constructed between 1951 and 1953. These are now inefficient and obsolete. Unit No. 1 has not produced power since it was taken out of commission in 1971. Unit Nos. 2 and No. 3 need approximately \$24 million for repair costs in order to improve their operational reliability. At present, Unit Nos. 4 and 5 provide most of the power generation from Piti Power Plant. These units (Nos. 4 and 5) were constructed in 1964 and are still reliable.					

1. COMPONENT NAVY	FY 1995 MILITARY CONSTRUCTION PROJECT DATA	2. DATE OCT 1993
3. INSTALLATION AND LOCATION: U.S. NAVY PUBLIC WORKS CENTER, GUAM		
4. PROJECT TITLE ELECTRIC POWER PLANT - DIESEL		5. PROJECT NUMBER P-246
IMPACT IF NOT PROVIDED: The Navy will fail in meeting its responsibility to provide adequate and reliable power to the IWPS. It will fail in its obligation to turn over Piti Power Plant with an equivalent generation capacity under the Power Pool Agreement and Customer Service Agreement. Deteriorated/efficient facilities have immediate adverse impacts on the ability to perform mission. PWC Guam's readiness to accomplish its mission is marginally supported by the condition of Piti Unit Nos. 2 and 3. ADDITIONAL: Economic Alternatives Considered: a. Status Quo: Continued use of the existing old and obsolete Piti Power Plant generators No. 2 and 3 will cause failure of the Navy to fulfill its obligation under the Power Pool Agreement and the negotiated Customer Service Agreement with GPA. The Navy will be unable to generate its share of adequate and reliable MW power generation obligation, adversely affecting the reliability of electrical services island-wide. b. Rehabilitation/Modernization/Alteration/Conversion: Repair by replacement of Piti Power Plant units 2 and 3 with a combustive turbine as proposed by MCOM P-227 is no longer the most economically beneficial alternative to the Navy. Activities in the Piti Power Plant will be disrupted. The Navy will be unable to generate sufficient power during the repair work, which may take a year. c. Lease: There are no firms and power plant facilities in the area which can provide the equivalent power generation now being provided by Piti Power Plant generator units 2 and 3. d. New Construction: Sharing in GPA's construction cost for a new baseload generating unit will result in the Navy's least initial investment cost in meeting its generation obligation. This initial investment cost is equivalent to that of the programmed amount for P-227, but with greater life cycle savings. The proposed slow-speed diesel would cost the IWPS about \$1.7 million less annually to finance and operate than the proposed P-227 alternative. The Navy's apportioned savings would be about thirty percent, or \$510,000 annually. The new diesel would also provide 13.6 MW more in efficient, available IWPS capacity. The economic value of this extra capacity is more or less equal to the cost of its debt service to the IWPS, or \$6.3 million annually. (See attached Economic Analysis). In alternative, non-monetary terms, the extra capacity equates to greater system reliability, less forced outages, and improved quality of life.		

1. COMPONENT NAVY	FY 1995 MILITARY CONSTRUCTION PROJECT DATA	2. DATE OCT 1993
3. INSTALLATION AND LOCATION: U.S. NAVY PUBLIC WORKS CENTER, GUAM		
4. PROJECT TITLE FACILITY STUDY - ELECTRIC POWER PLANT - DIESEL		5. PROJECT NUMBER P-246

1. PROJECT AND PURPOSE: Provides funds for payment of the Navy's share of construction cost for a new Island Wide Power System (IWPS) baseload generating unit. The funds will support the Navy's power generation obligations under the Power Pool Agreement and Customer Service Agreement with Guam Power Authority (GPA). The new generating unit will be constructed by GPA.

2. PROPOSED CONSTRUCTION:

a. Description of Construction:

(1) Primary Facility - One 40 Megawatt (MW) slow-speed diesel generating unit which will be constructed by GPA within its Cabras Power Plant facility. The Navy will only provide funds in the amount of \$21.6 million as its share of the construction cost.

(2) Supporting Facilities - None.

(3) Energy Conservation: Not applicable. GPA will be responsible for the design requirements and operational considerations.

b. Type of Construction: Permanent

c. Replacement: Not applicable. Proposed project will provide the Navy's share of construction of GPA baseload generating unit.

3. COST ESTIMATES:

Date of Engineering Estimate.....	Jun 92
Estimated Date of Award.....	Apr 96
Engineering Estimate (\$)	\$17,890,000
Contingency (C).....	5%

NAVFAC Cost Index: Dtd Apr 92
Jun 1992 = 2828
Apr 1996 = 3241

Cost Escalation = $3241/2827 = 1.1464$ Say 15%

Budget Estimate (FY 95) = $E \times (1 + C) \times F$
= $\$17,890,000 \times 1.05 \times 1.15$
= \$21,602,000
Say = \$21,600,000

4. PROJECT JUSTIFICATION:

The Navy and Guam Power Authority (GPA) have jointly operated under a Power Pool Agreement since October 1972 to share the use of and cost to operate and maintain the Navy's and GPA's generation plants and transmission systems to serve the Guam Island Wide Power System (IWPS).

By U.S. Congressional direction, the Navy is working to terminate the Power Pool Agreement and subsequent Customer Service Agreement to become a

1. COMPONENT NAVY	FY 1995 MILITARY CONSTRUCTION PROJECT DATA	2. DATE OCT 1993
3. INSTALLATION AND LOCATION: U.S. NAVY PUBLIC WORKS CENTER, GUAM		
4. PROJECT TITLE FACILITY STUDY - ELECTRIC POWER PLANT - DIESEL		5. PROJECT NUMBER P-246
full customer of GPA. Under the terms of both the Power Pool Agreement and the negotiated Customer Service Agreement, the Navy is obligated to have the Piti Power Plant producing adequate and reliable power for current and future IWPS loads. It would cost approximately \$24 million to repair two (11.5 MW each unit) turbine-generator units of the Piti Power Plant in order to sustain a safe operation. After considering various alternatives, a MILCON project, P-227, costing \$21.6 million was submitted to replace these generators with a gas turbine generator instead. With GPA's planned construction of a baseload slow-speed, diesel generating unit, providing financial assistance to GPA became a viable alternative for the Navy fulfilling its obligations under the Power Pool Agreement and Customer Service Agreement. This GPA-Navy cost sharing will essentially accomplish the basic aim of MILCON project P-227. The Navy will provide GPA with the amount the Navy will spend to replace its two generators with a 20 - 24 MW gas turbine generator unit. The Navy will no longer be obligated to repair its two Piti Power Plant generators, accrue life cycle cost savings, and be spared of the disruptions that will prevent it from producing its share of power generation under the Power Pool Agreement and Customer Service Agreement. Piti Power Plant Units Nos. 2 and 3 would be unable to generate power while they are being repaired or replaced. 5. <u>COLLATERAL EQUIPMENT</u>: Not applicable. 6. <u>COMMON SUPPORT FACILITIES</u>: Not applicable. 7. <u>EFFECT ON OTHER RESOURCES</u>: Not applicable. 8. <u>PROJECT SITE</u>: Project site plan is attached. The project is not included in the activity's approved Capital Improvement Plan. The project will be constructed within Guam Power Authority property by Guam Power Authority. Submission of Site Approval Request is not required. 9. <u>DEMOLITION/REASSIGNED FACILITIES</u>: None. 10. <u>ECONOMIC ANALYSIS</u>: The following alternatives were considered: a. Status Quo: Continued use of the existing old and obsolete Piti Power Plant generators No. 2 and 3 will cause failure of the Navy to fulfill its obligation under the Power Pool Agreement and the negotiated Customer Service Agreement with GPA. The Navy will be unable to generate its share of adequate and reliable MW power generation obligation. b. Rehabilitation/Modernization/Alteration/Conversion: Repair by replacement of Piti Power Plant units 2 and 3 with a combustion turbine as proposed by MCON P-227 is no longer the most economically beneficial alternative to the Navy. Activities in the Piti Power Plant will be disrupted. The Navy will be unable to generate sufficient power during the repair work, which may take a year.		

1. COMPONENT NAVY	FY 1995 MILITARY CONSTRUCTION PROJECT DATA	2. DATE OCT 1993
3. INSTALLATION AND LOCATION: U.S. NAVY PUBLIC WORKS CENTER, GUAM		
4. PROJECT TITLE FACILITY STUDY - ELECTRIC POWER PLANT - DIESEL		5. PROJECT NUMBER P-246
c. Lease: There are no firms and power plant facilities in the area which can provide the equivalent power generation now being provided by Piti Power Plant generator units 2 and 3. d. New Construction: Sharing in GPA's construction cost for a new baseload generating unit will result in the Navy's least initial investment cost in meeting its generation obligation. This initial investment cost is equivalent to that of the programmed amount for P-227, but with greater life cycle savings. The proposed slow-speed diesel would cost the IWPS about \$1.7 million less annually to finance and operate than the proposed P-227 alternative. The Navy's apportioned savings would be about thirty percent, or \$510,000 annually. The new diesel would also provide 13.6 MW more in efficient, available IWPS capacity. The economic value of this extra capacity is more or less equal to the cost of its debt service to the IWPS, or \$6.3 million annually. (See attached Economic Analysis). 11. <u>ENVIRONMENTAL IMPACT</u>: Required Environmental Assessment for this project will be the responsibility of GPA. 12. <u>MAINTENANCE FACILITIES</u>: Not applicable. 13. <u>MORALE, WELFARE AND RECREATION FACILITIES</u>: Not applicable. 14. <u>STORAGE FACILITIES</u>: Not applicable. 15. <u>HAZARDS, ASSESSMENT AND ANALYSIS</u>: No Preliminary Hazard Analysis was prepared for this project since the facility will be operated by CPA and preparation of design plans and specifications will be administered and managed by GPA. 16. <u>DEFENSE ACCESS ROADS</u>: The project site is accessible by means of an existing government of Guam highway. There will be no impact on the existing access roads since the project will not generate above-normal vehicular traffic. 17. <u>NUCLEAR SURVIVABILITY</u>: Not applicable. 18. <u>INDUSTRIAL FACILITIES</u>: Not applicable. 19. <u>TELEPHONE</u>: Not required. 20. <u>INTRUSION DETECTION SYSTEMS (IDS)</u>: Not applicable. 21. <u>HYPERBARICS</u>: Not applicable. 22. <u>UNINTERRUPTIBLE POWER SYSTEM (UPS)</u>: Not required. 23. <u>TEMPEST SHIELDING</u>: Not required. 24. <u>PHYSICAL SECURITY</u>: Physical security of the project site will be under the responsibility of Guam Power Authority since the project will be constructed within their property.		

1. COMPONENT NAVY	FY 1995 MILITARY CONSTRUCTION PROJECT DATA	2. DATE OCT 1993
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25. <u>PRESERVATION OF HISTORIC SITES AND STRUCTURES</u>: Determination of historical or archaeological significance of the site and its effects on the proposed project will be done by GPA. 26. <u>DESIGN FOR ACCESSIBILITY OF PHYSICALLY HANDICAPPED PERSONNEL</u>: Not applicable. 27. <u>FLOODPLAIN MANAGEMENT AND WETLANDS PROTECTIONS</u>: Compliance of the project with the Floodplain Management and Protection of Wetlands and Coastal Zone Management will be the responsibility of GPA. 28. <u>INTERGOVERNMENTAL COORDINATION</u>: Intergovernmental coordination required for this project will be the responsibility of GPA. 29. <u>PLANNING IN THE NATIONAL PROGRAM</u>: Not applicable. 30. <u>NATO INFRASTRUCTURE PROGRAM</u>: Not applicable. 31. <u>ENDANGERED SPECIES AND OTHER NATURAL RESOURCE CONSIDERATIONS</u>: Preparation of analysis to determine effect on natural resources on immediate vicinity of project sites will be the responsibility of GPA. 32. <u>GRAPHIC MATERIALS</u>: See attached site and location plans.		

Mrs. MEEK. What does Si Yu'os Ma'asse mean, the phrase?

Mr. UNDERWOOD. Si Yu'os Ma'asse. Thank you and, literally, God bless.

Mrs. MEEK. Thank you.

Mr. Underwood, this subcommittee has recognized the need for military construction on Guam. Since 1988, staff tells me we have appropriated over \$400 million including emergency appropriations to take care of the relocation from Subic Bay and to repair the damage from Typhoon Omar.

I want to thank you for your testimony. I understand the situation that you are in there and we will continue to do our best with the resources that this committee has for this year.

Mr. UNDERWOOD. And I would like to point out that I am a member of the subcommittee on the authorization side. I will be pursuing it there, so we won't be out of step.

Mrs. MEEK. Thank you so much for appearing here.

Mr. UNDERWOOD. Thank you.

TUESDAY, MARCH 16, 1994.

FISCAL YEAR 1995 MILITARY CONSTRUCTION AND FAMILY HOUSING APPROPRIATIONS REQUEST

WITNESS

MICHAEL OUELLETTE, NON-COMMISSIONED OFFICERS ASSOCIATION

**STATEMENT OF MICHAEL OUELLETTE, NON-COMMISSIONED OFFICERS
ASSOCIATION**

Mrs. MEEK. Mr. Ouellette, Non-Commissioned Officers Association.

Thank you, Mr. Ouellette. I remember you from last year as well.

Sergeant Major OUELLETTE. Yes, ma'am. We seem to do this every year, and we are grateful for the opportunity.

Madam Chair, the Non-Commissioned Officers Association appreciates the opportunity to offer its comments and recommendation regarding the fiscal year 1995 military construction appropriations request. The association has prepared a written statement that I ask be entered into today's record of proceedings. I might, Madam Chair, that the statement has received the endorsement of the Military Coalition.

In the interests of brevity, my oral statement this morning will simply summarize the Association's written remarks.

The Association continues to express military family and troop housing concerns, the magnitude of which are being caused by overseas troop reductions and the concurrent base closing actions in the United States.

Senior noncommissioned officers and petty officers tell NCOA the housing situation is the number one problem. NCOA believes the fiscal year 1995 authorization request for family housing construction and improvement reflects acknowledgment of the situation.

Troop housing construction and improvement fundings levels failed to support the cramped, overcrowded, and in many instances inadequacies of the living quarters provided to the young unmarried members of the armed forces. Although financial reimburse-

ment may not fall under the jurisdiction of this subcommittee, NCOA has recommended that military members living in sub-standard troop housing conditions be reimbursed a percentage of their forfeited BAQ.

Even though the association understands the uncertainty of future base closing announcements, NCOA hopes that the Defense Department is placing sufficient foresight into the long-range construction funding requests to ensure that efforts are in fact being targeted at those military bases and installations that will survive BRAC actions and remain open.

NCOA would like to see more emphasis placed on the military dependent school system funding particularly in view of the annual attempts to eliminate "b" student impact aid funding which is of critical importance to military families because of the greater numbers being forced to reside off base. The Association has pointed out a number of inequities that continue to hamper the fairness of the HAP program that the subcommittee may want to consider.

Overall, NCOA cannot be overjoyed that the fiscal year 1995 DOD military construction appropriations request contains funding levels that are only 2 percent of the total DOD budget. The Association believes the construction and facility improvements needed should reflect a significantly higher funding priority when considering its potential impact on the readiness posture of the armed forces.

DOD's request does demonstrate a definite need to improve the family housing situation. However, NCOA contends that the troop housing and improvements portion fall far short of promoting recruitment and retention opportunities in attaining those objectives. The Association believes there are only three answers to maintaining solid and strong military forces: And that is people, people, people.

Madam Chair, thank you very much.

[The information follows:]



NCOA

Non Commissioned Officers Association of the United States of America

225 N. Washington Street • Alexandria, Virginia 22314 • Telephone (703) 549-0311

STATEMENT OF

SERGEANT MAJOR MICHAEL F. OUELLETTE, USA, (RET)

AS ENDORSED BY

THE MILITARY COALITION

BEFORE THE

SUBCOMMITTEE ON MILITARY CONSTRUCTION

COMMITTEE ON APPROPRIATIONS

ON

FISCAL YEAR 1995 MILITARY CONSTRUCTION

APPROPRIATIONS

SECOND SESSION, 103D CONGRESS

HOUSE OF REPRESENTATIVES

MARCH 15, 1994

Chartered by the United States Congress

Mr. Chairman. The Non Commissioned Officers Association of the USA (NCOA) appreciates the opportunity to present its views on the FY 1995 Department of Defense Military Construction Appropriations request. NCOA is a federally-chartered organization representing all enlisted members of the Armed Forces of the United States; active, guard, reserve, retired, and veteran. Although its name implies restricted membership only to noncommissioned and petty officers of the Army, Marine Corps, Navy, Air Force, and Coast Guard, the Association's membership rolls are open to all enlisted men and women who serve or have served in the uniformed services. It is through input from this wide-range member base that NCOA determines its position on the defense budget and, in particular, military personnel and quality of life issues directly impacted by military construction appropriations.

NCOA is also pleased that this statement has been endorsed by The Military Coalition, a consortium of nationally prominent military and veterans' associations, representing approximately 3.75 million members - active, reserve, retired and veterans - plus their families and survivors.

BACKGROUND

NCOA has historically appeared before this subcommittee for the purpose of expressing the concerns of enlisted people that hopefully can be addressed, changed and improved by decisive action by the members of this subcommittee. Last year the enlisted community was constantly faced with deficit reducing initiatives viewed by many as direct threats to their

financial well-being. Although the majority of their expressed concerns were aimed at the impact of a zero pay raise and the loss of non-pay benefits, such as commissaries and medical care for their families, there were still many other concerns that can be rectified through the MilCon appropriations process. NCOA considers itself to be in the "people program" business and, with that in mind, the testimony offered today will directly focus on DoD's MilCon appropriations request and its ability to address the needs of the enlisted men and women of the armed forces as expressed to the Association.

PRELUDE

Although the armed forces have been substantially reduced in size, the Administration appears to be committed to maintaining a strong defense that requires the immediate availability of formidable fighting forces capable of meeting world-wide challenges. If this Country intends such a force to be able to meet all expectations of an acceptable readiness posture, then the prerequisites extend far beyond just quality people, quality training and quality equipment. The needs of the people who comprise those fighting forces must be of the highest priority since the people themselves make meeting strong defense intentions virtually attainable. The challenge facing this subcommittee is to meet the mandate to provide adequate housing, schools, dining facilities and family service support facilities needed to provide retention incentives of the degree necessary to retain military personnel in the numbers required to maintain acceptable readiness standards. NCOA is here today to inform the members of this subcommittee that the enlisted members of the armed forces are very rapidly losing confidence in the abilities of the Congress and the government to

adequately compensate and provide for their individual and family needs at the same level of intensity given to deficit reduction or talking about a strong defense requirement. They are concerned that while talking a "good show", some members are considering deficit reduction measures that target them as the sacrificial lambs. If the Congress and the Administration want a strong defense, then their actions be consistently in the best interests of the individual soldier, Marine, sailor and airman. It is not possible to have it both ways.

FAMILY HOUSING

The shortage or lack of military family housing is by far the greatest, most universal concern expressed by active-duty members to this Association. Overseas troop reductions and concurrent base closure actions in the United States are imposing significant hardships on military members and their families. In this regard, there are a number of factors that must be considered by the subcommittee during their deliberations. Overseas troop reductions in and of themselves result in military families remaining in the United States for longer periods than ever before. The result of this longer stability is a significantly reduced turnover rate for those families fortunate enough to be residing in on-base family housing. In fact, it is not uncommon today for those families required to reside off-base due to insufficient on-base housing to retain family housing waiting list standing for periods in excess of two-years.

Base closure activity compounds the situation because it forces the services to assign military members and their families returning from overseas to those installations not identified for closure. These assignments are normally in numbers that far exceed the on-base housing tolerances already filled to 100 percent capacity. The servicemembers' only

alternative is to attempt to locate and reside in affordable off-base housing that is not always available within a reasonable commuting distance. Many senior noncommissioned and petty officers have told NCOA that many young servicemembers face an 80 to 130-mile daily round trip commuting distance in order to place their families in affordable off-base housing.

Driven by the housing concerns expressed by the enlisted community, NCOA's review of the DoD FY 1995 Military Construction Program indicates that the defense department is attempting to address the need for military family housing in real terms. The request includes significant increases in the numbers of family housing construction and improvement projects that should demonstrate to Congress that DoD recognizes the housing concerns of enlisted men and women to be highly credible. NCOA fully supports the DoD request of \$3.6 billion and urges the subcommittee to take positive action on the request as serving the best interests of armed forces enlisted members and their families. It would also be a positive step towards maintaining a strong national defense by providing a quality-of-life standard to assist the armed forces in meeting retention objectives.

BACHELOR ENLISTED QUARTERS

NCOA is obligated to report to this Subcommittee that noncommissioned and petty officers who are charged with the health and welfare of enlisted members have also expressed concern to this Association regarding Bachelor Enlisted Quarters (BEQ) conditions as follows:

- o The 90-square-foot standard for junior enlisted soldiers is only slightly more than the 80-square-foot standard recommended for an individual long-term, high-security prison cell.

- o The 90-square-foot-standard is consistently compromised through overcrowding conditions caused by increased junior enlisted availability resulting from overseas strength reductions, base closures and new accessions.

- o Junior enlisted members complain of the lack of privacy, cramped conditions and the lack of any reasonable amount of storage space.

- o Many times the conditions are viewed as being so bad that many young enlisted members make marriage decisions just to escape the troop housing environment.

- o Many facilities are only considered acceptable because of the self-help efforts of the enlisted residents themselves.

These are only a few of the concerns expressed by the senior enlisted leadership, but the message is quite clear. DoD must be provided the funds necessary to react positively to these problems or run the risk of destroying the armed forces from the ground up.

The armed forces continue to have significant number of servicemembers in grades E4 through E6 living in inadequate quarters. The majority of these are naval personnel berthed aboard ships in cramped living conditions. Since bachelor personnel are the most economical category of people its nation has on the military roles, it is time to recognize their value and needs by providing them with adequate quarters. NCOA readily concedes that very little can be done to improve living conditions for sailors at sea since cramped quarters and lack of privacy come with the nature of the duty. However, would it not be impossible to subsidize these sailors for the time they are required to live under such conditions. Current law provides for married military members who reside in substandard family housing by permitting them to retain 25 percent of their BAQ in cash. Yet enlisted bachelors living under similar conditions forfeit their entire BAQ. Since such authority does not fall under the jurisdiction of this Subcommittee, the Association's point is that it would take far more in appropriated funding to reverse the substandard conditions than it would to partially reimburse each individual.

Although the DoD appropriations request identifies approximately \$386 million for troop housing, NCOA does not believe such a level of funding will even begin to correct the deplorable situations described by noncommissioned and petty officers. If these conditions cannot be resolved through the appropriations process the NCOA recommends the following:

1. Direct DoD to identify those installations where substandard housing or billeting continues to be used as enlisted living quarters.

2. Direct a standard be developed to determine inadequacy by which a level of compensation could be applied.
3. Direct DoD to request additional BEQ construction and improvements in an FY 1995 supplemental proposal if such action cannot be included in the FY 1995 MilCon package.
4. Appropriate the necessary funds or support legislation to provide a portion of BAQ (without dependents rate) for those servicemembers offered inadequate living quarters.

NCOA firmly believes this subcommittee will agree that young military men and women are the future of the armed forces. The ability to recruit and retain sufficient personnel, while maintaining the desired levels of quality, will be directly proportionate to the manner in which the Congress and DoD meet or are able to meet their responsibilities to provide adequate housing and other quality-of-life needs through levels of appropriations needed for troop housing construction and improvement projects.

IMPACT OF BASE CLOSURE

Even though NCOA will concede that the severe limitations placed on the defense department budget in the interests of deficit reductions virtually requires that the number of military

bases be reduced, the Association is obligated to summarize the impacts of such actions, particularly on the retired military community.

Virtually every servicemember who made a career of the military did so with the full understanding that the service performed, regardless of the reasons, had its rewards in a promised retirement benefit package. Among the promises were lifetime access to military treatment facilities (MTFs), commissaries, exchanges and MWR facilities. Although the need to close military bases is understandable from a budgetary standpoint, NCOA continues to be appalled by the complete disregard for subsequent deterioration of the "promised" military retirement benefits such actions place on the former defenders of this Country. NCOA continues to believe that each installation should be individually judged on the feasibility of operating medical facilities, commissaries and exchanges stores based on community analysis, Guard and Reserve populations and the capability to provide alternatives should complete closure action be deemed necessary.

Besides the current impact of already announced base closings, NCOA sees future base closing announcements as the major concern of this subcommittee with regard to military construction appropriations. In addition to the responsibilities of appropriating funds to facilitate the closing of previously identified bases and compliance with established environmental guidelines, this subcommittee must also ensure the integrity of future military construction funding. In other words, military construction funding, appropriated with the best interests of the servicemember in mind, must not be awarded to those installations that

lack long-term retainability. NCOA clearly understands there is no magic formula or "crystal ball", but surely the expertise exists where members of this subcommittee and the Congress as a whole can gain vital information and be absolutely convinced that the appropriations requested and subsequently awarded are targeted at those sites that will remain open.

Since any decision to close a base will have a similar effect on the MWR facilities, such as golf courses and bowling alleys, located on the installation, NCOA points out that these facilities were bought and maintained with military member money. In this regard, NCOA is concerned that the MWR account is reimbursed for the sales or disposal of MWR facilities when the base is returned to civilian control. NCOA believes such action to be a strict requirement of any base closure proceedings and recommends that this subcommittee ensure that such reimbursements are made.

DEPENDENT SCHOOLS

NCOA is completely aware that every area of the FY 1995 MilCon budget is extremely important or necessary. However, the \$4.4 million dependent schools appropriation request does not appear to be an amount equal to the intensity of the threat being levied on the education of military children by the Administration. The continual efforts to eliminate Impact Aid "b" student (the children of military members who work on an installation but reside off-base and attend school in the local civilian school district) funding, if successful,

could very well place the responsibility of educating military students in the United States with DoD and their Section 6 schools. Section 6 schools are defined as those educational facilities physically located on military installation and tasked with the responsibility of educating military children.

For the past several years, Congress has consistently acted in the best interests of military children by taking positive authorization and appropriation action to retain Impact Aid "b" student funding. NCOA interprets this action by the Congress as an acceptance of the responsibility to provide military children with a quality education. NCOA suggests that any success on the part of any Administration to cut Impact Aid funding will have the following consequences:

- * Civilian parents served by the impacted school district will become incensed that they are being forced through increased taxes to fund the education of military children.
- * Attempts by local school districts to charge DoD for the education services will fail because of the lack of funds.
- * The local school districts will then attempt to levy annual enrollment fees ranging from \$750 to \$1200 on military parents.

* Congress will then be forced to consider legislation to provide funds to military parents in the form of an annual Dependent Education Allowance because Section 6 school alternatives are not available or capable of accommodating large increases in student load.

This Association continues to be bewildered by the attempts of the Administration and some Members of Congress to ignore their responsibilities to the military men and women who make their strong defense wishes possible. NCOA believes that the \$4.4 million appropriation request for dependent schools is cosmetic in nature and completely ignores the drastic possibilities the future could bring in terms of assuming responsibility for the education of military children.

HOMEOWNERS ASSISTANCE PROGRAM

The Homeowners Assistance Program (HAP) provides financial assistance to military homeowners whose homes may not be saleable or cannot be sold a fair market value due to base closure or downsizing operations.

NCOA is convinced that in these times of uncertainty the HAP could very well one of the most important programs available to military members. Its importance is directly related to the lack of on-base military family housing and the fact that more and more military members are opting to purchase off-base housing for investment purposes. NCOA thinks

these are wise decisions on their parts instead of walking away from a rented home with a handful of receipts at the end of one's tour of duty. Therefore, NCOA fully supports the \$169.1 million requested by DoD for homeowner assistance but wants to bring a number of major program problems to the attention of the subcommittee:

(1) **MARKETING:** The HAP is a poorly marketed program. NCOA recommends military members be provided with detailed information about the program and given specific details of the eligibility requirements on a routine basis.

(2) **TAXABILITY:** HAP payments are considered income and are subject to Federal, and perhaps, State taxes. NCOA recommends an amendment to law regarding the receipt of HAP money to be treated in the same manner as that received by other homeowners from the sale of their homes. This gives military families an opportunity to reinvest any monies in a new home.

(3) **ELIGIBILITY LIMITATIONS:** In order to be eligible for HAP, the military owner must be living in the home to take advantage of the program. Since a large number of military homeowners have military occupational specialties that are compatible with only a select number of military installations within the U.S., many take overseas assignments with full expectation of returning to that installation and living in the home once again. Additionally, a military member who owns a mobile home must also own the land upon which the mobile home is parked in order to be eligible. NCOA

objects the existence of a program intended to assist military personnel which has built-in eligibility inequities and recommends it be simplified and expanded to more adequately compensate for servicemember losses.

COMMUNITY FACILITIES SHORTFALL

NCOA notices that the DoD appropriations request for community facilities declines from \$166.1 million in FY 1994 to \$48.8 million in FY 1995. In this regard, NCOA recommends that additional funds be appropriated for the expansion of installation Day Care Centers to include a section devoted solely to "drop-off" children of parents who volunteer for community service on the installation. The rationale for this recommendation concerns the numerous complaints filed with the Association by unemployed military wives who desire to volunteer their services within their military communities.

Senior noncommissioned officers and petty officers have told NCOA that force reductions occurring in both the military and federal civilian employee areas are generating a greater need for volunteers to keep many community and family service missions operating. In order to encourage people to volunteer their services, installation commanders will pay for the volunteer's day care expenses. Consequently those normally having an opportunity or a desire to provide volunteer services are the spouses of servicemembers not employed outside the home. However, when potential volunteers attempt to place their children in the on-base day care facility, they find a "no-vacancy" sign on the door because the facility is filled to

capacity with children of families where both parents are employed. To make matters more intense, installation commanders will not reimburse volunteers for costs associated with day care provided within the civilian community. NCOA considers volunteers to be absolutely necessary to augment the ability of installation commanders to provide services to military members during these times of budgetary shortfalls. If this subcommittee is able to be of some assistance, the military communities would certainly be appreciative. After all, since the National Service Program grants education funds for community service, NCOA believes day care availability for community service volunteers is a small price to pay.

CONCLUSION

Overall, NCOA cannot be overjoyed that the FY 1995 DoD Military Construction Appropriations Request contains funding levels that are only 2 percent of the total DoD budget. NCOA believes the construction and facility improvements needed should reflect a significantly higher funding priority when considering its potential impact on the readiness posture of the armed forces. DoD's request does demonstrate a definite need to improve the family housing situation; however, NCOA contends that the troop housing and dependent schools fall far short of promoting recruitment and retention opportunities and attaining those objectives. There are only three answers to maintaining solid and strong military forces: PEOPLE, PEOPLE, PEOPLE.

Thank You.

Mrs. MEEK. Thank you. We thank you for bringing this matter to our attention, Sergeant Major.

We certainly agree that the budget request for military construction is low, but we do take some small consolation in the priority that this committee has given to the family housing program. And we appreciate your presentation as always.

Sergeant Major OUELLETTE. Thank you very much, Madam Chair. Thank you very much.

Mrs. MEEK. Mr. Hobson.

Mr. HOBSON. I am just an enlisted man. I like that.

Mrs. MEEK. All right.

Mrs. MEEK. Do you hear that, Major?

Sergeant Major OUELLETTE. You mean Sergeant Major.

Mrs. MEEK. Mr. Hobson said he is just an enlisted man.

Sergeant Major OUELLETTE. Just an enlisted man.

Mr. HOBSON. I was an NCO.

Major OUELLETTE. You still are. You happen to be a member of the Non-Commissioned Officers Association.

Mr. HOBSON. Everything else, I am.

Sergeant Major OUELLETTE. Sergeant Hobson, we will see about that.

TUESDAY, MARCH 16, 1994.

FISCAL YEAR 1995 MILITARY CONSTRUCTION APPROPRIATIONS AND THE ROLE IN THE TOTAL FORCE

WITNESS

ROGER SANDLER, RESERVE OFFICERS ASSOCIATION

STATEMENT OF ROGER SANDLER, RESERVE OFFICERS ASSOCIATION

Mrs. MEEK. Mr. Sandler, Reserve Officers Association. Welcome.

Mr. HOBSON. I know I can't be a member of his.

General SANDLER. I want you to know, Mr. Hobson, I was an enlisted man for six years before somebody made a mistake and commissioned me.

Madam Chairman, thank you very much for giving me the opportunity to appear before you this morning. I am going to talk in about three different areas: Construction backlog, demographic impact, and reserve component requirements. On behalf of the 100,000 members of the Reserve Officers Association from each of the uniform services, I appreciate the opportunity to address this committee to present the Association's concerns relating to the military construction appropriations for the reserve components for fiscal year 1995.

Regarding construction backlogs, the base closures and forced realignments have generated requirements for new construction to support new reserve missions. Much of the funding for military construction for the guard and reserve has been for new construction, although the needs for repair and renovation have grown.

Even during the 1980s when Defense spending was on the rise, reserve component military construction backlogs continued to grow. Military construction backlogs have increased in all of the reserve components with the exception of the Naval Reserve. Con-

struction backlogs in the Naval Reserve have decreased only because requirements were canceled by base closure actions. These construction backlogs impair readiness retention and morale.

To cut costs, facilities with construction backlogs and the highest maintenance and renovation costs become targets for closure. Regarding the demographic impacts, the impact of demographics is critical to the location reserve units and thus to the reserve component effectiveness. Unlike their active counterparts who can be readily moved to new locations, reservists are tied to their civilian employment and are often unable to make a move. Therefore, there is a limit to how far they can afford to commute, to meet training and other service requirements.

The impact of demographics on reserve requirements has not always been given the weight it deserves especially in base closure actions. For example, the demographics of reservists were not considered in the Navy's recommendations to the Base Realignment and Closure Commission during the BRAC 1993 process. The closing of a facility can deprive the reserve components of populations of quality experienced personnel and thus eliminate capabilities or greatly increase training costs.

The Reserve component's requirements are as follows: The budget request includes a total of \$76.5 million for the United States Army Reserve; \$28.2 million for the Air Force Reserve; and only \$2.4 million for the Naval Reserve.

My written statement which was submitted for the record has a more detailed discussion of requirements for each of the service components. The justification for the funding of these requests for each of the services I know is more than adequate and I would urge that they be fully funded.

I would emphasize here that the serious underfunding of construction requirements for the Naval and Marine Corps Reserve is an integral part of a combination of events that is leading to the limiting of opportunities for these Reserve components to remain a vital part of the services contribution to the total force.

Included in the discussion for each service is a list of projects which are far enough along in planning and design or have no design requirements that they can be executable in 1995. Given the cost-effectiveness of the Reserve components, each of these projects are a good investment in national security.

I would urge the committee to add funding to complete these projects.

In conclusion, I would again thank you, Madam Chairman, for allowing me to appear before you here this morning. Thank you very much.

[The information follows:]

Statement of Major General Roger W. Sandler, AUS (Ret.), Executive Director of the Reserve Officers Association of the United States, for the House Appropriations Subcommittee on Military Construction, concerning Military Construction appropriations for Reserve forces for Fiscal Year 1995--15 March 1994.

Mr. Chairman and Members of the Subcommittee:

On behalf of the many members of the Reserve Officers Association from each of the uniformed services, I appreciate the opportunity to address this subcommittee to present the association's concerns relating to military construction appropriations for the Reserve components for FY95.

The Reserve Officers Association is grateful to this subcommittee for its continuing support of the Guard and Reserve. Without your support, Reserve component readiness would not be at today's high level--without the facilities you provided the Guard and Reserve, they could not have contributed so effectively to Operation *Desert Storm* and subsequent operations.

The Congress has repeatedly instructed the Department of Defense to designate a greater percentage of the total military construction request for Reserve component facilities. Under pressure to make overall budget reductions, however, the DoD has reduced its military construction requests for the Guard and Reserve to levels well below the established goal. The add-ons provided by the Congress have been directly responsible for providing urgently needed facility improvements.

Construction Backlogs

Base closures and force realignments have generated requirements for new construction to support new missions. Much of the funding for military construction for the Guard and Reserve, requested and appropriated, has been for new construction, while the needs for repair and renovation have grown. Even during the eighties when defense spending was on the rise, Reserve component military construction backlogs continued to grow.

Military construction backlogs have increased in all of the Reserve components, with the exception of the Naval Reserve. Construction backlogs in the Naval Reserve have decreased only because requirements were canceled by base closure actions. These construction backlogs impair readiness, retention, and morale.

If the Reserve components are to continue to make significant contributions to national security, they must be provided adequate facilities to meet unique Guard and Reserve requirements--including the location of facilities where there are persons and skills needed to meet Reserve component needs. Failure to do so will lead to the demise of Reserve component readiness.

In addition to their impact on morale and training, construction backlogs, or the failure to meet military construction requirements, indirectly and insidiously impact on Reserve readiness. In the name of cost-effectiveness facilities with the highest maintenance and renovation costs become targets for closure. The closure of facilities which require expensive improvements may be economically prudent in the case of active

forces, but because of the demographic impact, closure of Reserve facilities can have a devastating effect on combat capability.

Demographic Impact

The impact of demographics is critical to the location of Reserve units and thus on Reserve component effectiveness. Unlike their active counterparts who can be readily moved to new locations, Reservists are tied to their civilian employment and are thus often unable to make a move. There is a limit to how far they can afford to commute to meet training and other service requirements. The closing of a facility can thus deprive the Reserve components of populations of quality, experienced personnel and thus eliminate capabilities or greatly increase training costs.

Many factors are considered in base realignment and closure decisions. Included are military requirements, costs, environmental issues, the economic impact on surrounding communities, etc. ROA is concerned that there is an active component bias and that Reserve component needs are not always understood and given the priority they deserve. The impact of demographics on Reserve requirements, especially, does not seem to be given the weight it deserves. For example, the demographics of Reservists were not considered in the Navy's recommendations to the Base Realignment and Consolidation Commission (BRAC) during the BRAC 93 process.

Emphasis is being placed on the shared use of facilities. Sharing the use of a facility by two or more Reserve components or the use of an active component facility by a Reserve component can

eliminate duplication and thus be cost-effective. ROA applauds sharing the use of facilities wherever practical but cautions that there are real limitations to the shared use of facilities by Reservists. It is not realistic to close a Reserve facility in an area where a large number of Reservists reside and expect those Reservists to travel great distances to train at another existing site.

There may be a conception that the drawdown of active forces will free facilities for use by the Reserve components. While Reservists may make use of a limited number of active facilities, the ability to save additional funds in this manner is minimal. The incidents of Reserve components being able to take over facilities previously used by active forces without alteration or renovation will be very few. Because of the demographic factor, facilities previously used by active forces will simply not meet the needs of the Reserve components in most instances. To the extent that active component facilities can be transferred to the Reserve components, these actions have already gone into current planning and are reflected in the Budget Request.

Impact on Training

Training is crucial to the readiness of the Guard and Reserve, and the amount and quality of training is directly related to the adequacy of facilities. In addition to adding and maintaining skills, training has a direct influence on morale and retention. Without meaningful training, morale suffers, and Reservists may

quickly lose interest in Guard and Reserve participation. The adequacy of facilities has a direct bearing on esprit de corps and thus readiness.

Many in and out of the military have called for a greater reliance on training simulators as a cost-effective way of improving Reserve component training and readiness. New facilities are required to house additional training simulators.

The following addresses military construction needs by Reserve component:

ARMY RESERVE

Since the advent of the Total Army concept and the growing reliance on the Reserve, the Army Reserve has received additional missions and soldiers without a corresponding growth in necessary support facilities. Today, the Army Reserve stands last among the Reserve Components with less than 60 percent of its required facilities. This has lead to an average utilization rate of over 200 percent in existing facilities, a problem that is compounded by the fact that 45 percent of the existing Army Reserve facilities are inadequate - many failing to meet Army standards. To correct these shortfalls there is a \$ 2.0 billion backlog of known construction requirements. Due to this backlog, the Army Reserve will still have a critical requirement for programmed MCAR even with the expected SELRES reductions from 260K in FY94 to 208K in FY99. The facility shortage becomes further complicated by the projected base closings and the loss of those support facilities.

The requirement to replace obsolete and deteriorating facilities still exists and the reduction in Army Reserve end strength will only marginally ease the problem of extremely overcrowded facilities.

Much of the existing Army Reserve physical plant inventory is in need of repair. There are currently about 1,448 centers along with maintenance facilities owned or leased by the Army Reserve. Many of these facilities were constructed or acquired during an era in which very little equipment was issued to the Army Reserve, and there were only one or two full time personnel working at each Reserve center. Because of the increased flow of equipment to the Reserve as it has become a more significant partner in the Total Army there have been increased storage requirements resulting in significant overcrowding at many Army Reserve centers.

This situation has created a training environment that is increasingly unsafe, environmentally unacceptable, and damaging to readiness. Because most Army Reserve facilities are in localities distant from active installations, aggressively capitalizing on Armed Forces base closure alone will not solve these problems. Accordingly, full funding of the Army Reserve's military construction program and real property maintenance programs becomes more essential than ever.

Request for Fiscal Year (FY) 95

The military construction requirement we support for the Army Reserve represents its highest priority projects and consists of Major Construction, Unspecified Minor Construction, and Planning

and Design. The FY 95 program includes:

A. Major Construction provides for new construction, acquisition, expansion, rehabilitation, or conversion of facilities for the training and administration of the Army Reserve. Unfortunately DOD has looked at the Reserve Components as a billpayer and through a program it labels the Priority Investment Program (PIP) has delayed FY95 major construction projects for one year during which DOD believes it will be better able to support the downsizing and reshaping of the Army. This delay will stop the construction of 10 critically needed Army Reserve facilities totalling \$76.5 million in FY95. The original FY95 Army Reserve request included construction of four Reserve centers -- one at Green Bay, WI, one at North Charleston, SC, one at Topeka, KS, and one at Fort Eustis, VA; two additions/alterations to Reserve centers having an organizational maintenance shop, one at Jasper, AL, and the other at Fort Bragg, NC; one Equipment Concentration Site at Geneva, PA; and construction of two battle projection centers - one at Parks, CA and the other at Arlington Heights, IL .

FY 95 MILITARY CONSTRUCTION ARMY RESERVE (MCAR) PROGRAM

<u>LOCATION</u>	<u>ST</u>	<u>PROJECT DESCRIPTION</u>	<u>CWE(\$000)</u>
Geneva	PA	ESC/AMSA/WHSE	7,503
Parks	CA	Battle Proj Ctr	6,093
Arlington Heights	IL	Battle Proj Ctr	5,239
Green Bay	WI	USARC/OMS/AMSA	6,483

Fort Eustis	VA	USARC/OMS	11,222
Jasper	AL	ADD/ALT USARC/OMS	2,500
N.Charleston	SC	USARC/OMS/AMSA	8,563
Fort Bragg	NC	ADD/ALT USARC/OMS	11,263
Topeka	KS	USARC/OMS	6,855
Fort Eustis	VA	Avn Spt Fac	<u>10,758</u>
TOTAL			76,479

B. Unspecified Minor Construction provides for projects not otherwise authorized by law, having a funded cost not to exceed \$ 400,000. Unspecified minor construction includes construction, alteration or conversion of permanent or temporary facilities and provides the means to accomplish projects that are now identified, but that may arise during FY 95 to satisfy critical, unforeseen mission requirements, e.g., the arrival and redistribution of equipment. Projects must also be undertaken on an urgent basis to comply with state and federal environmental laws. The requested amount for unspecified minor construction identified in the Army Reserve's MILCON testimony is only \$ 2.7 million.

C. Planning and Design provides for design of necessary construction projects that support the Reserve mission. To adequately provide for future MCAR and FY 95 minor construction and design, the Army Reserve needs \$5.2 million. This not only covers FY95 design but some FY96 and early FY97 design requirements that must be started in FY95 in preparation for construction in those

years.

This total FY 95 military construction program request includes the \$7.9 million for Unspecified Minor Construction, for urgent work for facilities and unforeseen mission requirements, and for Planning and Design for future year construction projects identified by the Army Reserve in its testimony as well as the \$ 76.5 million for major construction that we have identified for a total authorization and appropriation request of \$ 84.4 million. Without it facilities beyond their useful life will continue to deteriorate. Failure to provide funding at this level now will guarantee greater costs later.

Another important source of resources in support of the Army Reserve facilities is the Operations and Maintenance, Army Reserve (OMAR) authorization; specifically, the resources for Real property Maintenance Activities (RPMA) and Environmental Compliance.

Real Property Maintenance Activities

The replacement value for all Army Reserve facilities exceeds \$ 3.6 billion dollars. Their average age is over 30 years. With the dollars from this OMAR appropriation, the Army Reserve accomplishes an astronomical task of operating facilities which includes repairing and performing preventive maintenance on them. The facility managers at the Reserve centers are to be commended for the outstanding job they do keeping the centers operational. Even though they are able to keep the facilities open, they are falling behind in maintaining them. The backlog of maintenance and

repair (BMAR) continues to rise. The BMAR is projected to be \$103 million by the end of FY94 and will increase to over \$ 112 million by the end of FY 95.

Environmental Compliance

Along with the increasing demand for maintenance funding, environmental compliance requirements under the Clean Water Act have placed demands on resources authorized and appropriated for the Army Reserve. The environmental compliance funding requirements have increased from \$ 5.5 million in FY 90 to \$ 31.8 million for FY 94; and are expected to exceed \$ 42 million in FY 95. These environmental compliance requirements cannot be ignored.

AIR FORCE RESERVE

The Air Force Reserve FY95 MILCON budget request of \$28.19 million includes \$21.0 million for projects in 7 states, \$4.018 million for unspecified minor construction, and \$3.172 million for planning and design. This investment level represents 38 percent of the FY94 appropriation for Air Force Reserve. The biggest difference from last year is in current mission MILCON, which provides training and working facilities, while also upgrading base infrastructure. Consistent with the priority investment program, the Air Force Reserve FY95 current mission MILCON is 17 percent of the FY94 appropriation for current mission. Additionally, the new mission requirements decreased to 37 percent of the previous year.

However, investment in environmental compliance was increased 270 percent. This year's request is compatible with the Reserve's long range facility investment strategy to: beddown new missions and implement realignments; comply with environmental laws and regulations; provide adequate operational and training facilities; and provide efficient, reliable infrastructure.

New Mission

The top priority within the FY95 budget request provides for the alteration of existing base facilities to support the inventory conversion of Air Force Reserve A-10 aircraft to B-52 aircraft. This conversion provides the first bombers to the Air Force Reserve flying inventory.

Environmental Compliance

The next facility priority is to identify all Air force Reserve environmental compliance requirements. This year the Reserve will make a significant effort to complete that work. The FY95 budget request will provide environmentally safe fire fighter training facilities, replace underground fuel storage tanks, provide treatment of base sewage effluent prior to final county industrial wastewater treatment, and complete all environmental compliance work at a new Air Force Reserve base.

Current Mission

Current mission requirements in the FY95 program are very

important to mission readiness. Since the majority of Air Force Reserve end strength is part time, training on weekends and during two-week periods throughout the year, readiness of the force relies heavily upon the Reserve's training capabilities. Therefore, adequate training and working conditions are critical. Because of the FY95 priority investment program, all reserve training and working condition projects have been delayed. However, the Reserve's priority on efficient, reliable infrastructure to reduce O & M costs remains intact. The FY95 request provides for the replacement of a worn taxiway and an electrical substation.

Unspecified Minor Construction

The Air Force Reserve request for unspecified minor construction is \$4.018 million in FY95. As in the case of the active Air Force and the Air National Guard, this appropriation provides the Reserve with its primary means of responding to small, unforeseen MILCON requirements. The rapid rate of change in the Air Force and the rapid rate of aircraft conversions places extraordinary demands on this account. To respond to this change, strong support is requested of this committee.

Planning and Design

Air Force Reserve's planning and design request for FY95 is \$3.172 million. These funds are required to complete design for the FY96 P-341 and MILCON programs, achieve 65 percent design for the FY97 program, achieve 35 percent design for the FY98 program,

and fully design all late notice new mission MILCON projects. As with the active force, the requirement was calculated using the OSD planning and design cost target of nine percent.

Additional FY95 Requirements

Very important to attaining mission readiness in converting units are unfunded FY95 MILCON requirements. The first of these is the conversion at Tinker AFB from fighters to tankers - six projects totaling \$20.78 million. Next is the Seymour-Johnson AFB conversion from KC-10s to KC-135s - three projects totaling \$8.16 million. The third conversion with just one project is at Selfridge ANGB totaling \$6.85 million. The last new mission requirement is three projects at a currently classified location totaling \$12.43 million. Other partially designed projects also above the budget request bring the total additional MILCON requirement to \$97.54 million. In order of priority, these projects are:

Tinker AFB, OK	Fuel Maintenance Hangar	\$ 4.57
Tinker AFB, OK	Add to Squad Ops Facility	0.69
Tinker AFB, OK	Hydrant Fueling System	5.71
Tinker AFB, OK	ADAL Aircraft Hangar	3.65
Tinker AFB, OK	Alter Facilities for Conversion	1.71
Tinker AFB, OK	Upgrade Acft Taxiway/Ramp	4.45
Seymour-Johnson AFB, NC	ADAL Facilities for Conversion	3.54
Seymour-Johnson AFB, NC	Squad Ops Facility	3.88

Seymour-Johnson AFB, NC	Add to Base Supply Warehouse	0.74
Selfridge ANGB, MI	Fuel Maintenance Hangar	6.85
AFR 9 (Classified)	ADAL Facilities for Conversion	2.85
AFR 9 (Classified)	Unscheduled Maintenance Dock	4.22
AFR 9 (Classified)	Fuel Systems Maintenance Dock	5.36
Maxwell AFB, AL	Composite Maintenance Shops	5.02
Maxwell AFB, AL	Aircraft Maintenance Hangar	7.08
Maxwell AFB, AL	LG Complex	4.45
Luke AFB, AZ	Composite Maintenance Facility	2.06
March ARB, CA	Fire Training Facility	1.77
Peterson AFB, CO	Composite Maintenance Facility	3.48
Dover AFB, DE	Medical Training	0.67
Dobbins ARB, GA	ADAL Security Police Ops (w/ANG)	1.37
Robins AFB, GA	Renovate AFRES HQ Bldg 220	6.37
Minn/St ARB, MN	Corrosion Control Facility	1.20
Selfridge ANGB, MI	Medical Training Facility	1.54
Niagara ARB, NY	Fuel System Maintenance Hangar	5.60
Portland ANGB, OR	Structural Maint Shop Addition	0.83
Kelly AFB, TX	Aerial Port Training	2.40
Hill AFB, UT	Munitions Maintenance	1.71
Mitchell ARS, WI	Vehicle Ops/Maint Facility	<u>0.47</u>
TOTAL:		\$ 97.54

NAVAL AND MARINE CORPS RESERVE

The budget request for Military Construction, Naval Reserve (MCNR) for Fiscal Year 1995 is for a mere \$2.4 million and will support but a single \$840,000 project. The balance of the funds requested are for minor construction and planning and design. This request contrasts sharply with the more than \$50 million appropriated for Fiscal Year 1993 and the \$25 million program enacted by Congress last year.

This serious underfunding of construction requirements for the Naval and Marine Corps Reserve is an integral part of the combination of events that is leading to the foreclosure of opportunity for these Reserve components to remain a vital part of their service's Total Force.

A GROWING BACKLOG

It is interesting to note that the stated backlog of construction and essential maintenance and repair for Naval and Marine Corps Reserve facilities will show a considerable decline as nearly 50 of these sites are slated for closure or consolidation as a result of BRAC 93 action. As a direct result of deleting needed projects connected with these installations, a backlog of well in excess of \$1 billion is apparently reduced to roughly \$750 million.

Although the deletion of facilities approved for closure under BRAC 93 will actually reduce the backlog after the affected installations are ultimately closed, annual funding at the level requested for Fiscal Year 1995 will not even come close to meeting

the annual increase in the backlog that will result from inflation alone. At the rate of funding for Fiscal Year 1995, it will not take very long for the MCNR construction backlog to again exceed \$1 billion.

RECOMMENDATIONS FOR MCNR 95

Closure of facilities is certainly one way to reduce the backlog. In fact, closing all locations will reduce the backlog to zero. Obviously, the more logical way is to fund a rational multi-year program of facility construction and repair.

In recognition of this fact, ROA recommends the approval of the meager \$2.4 million request and strongly recommends the addition of as many projects as is feasible from the following list of projects that are not funded but are far enough along in planning in design, or have no design requirements, to be executable in Fiscal Year 1995.

RECOMMENDED ADDITIONAL MCNR PROJECTS

LOCATION	PROJECT	COST (\$M)
Pendelton, CA	Reserve Center *	6.3
Dobbins AFB, GA	RESCEN Addition	4.3
Marietta, GA	Training Bldg.*	2.7
Lafayette, LA	Reserve Center *	2.6
NSA New Orleans, LA	Physical Fitness Fac.	3.2
NSA New Orleans, LA	NAVRES Mgmt. School	2.9
Camp Edwards, MA	Reserve Center*	2.8
NAF Washington, MD	BEQ	2.5
NMCRC Pittsburgh, PA	RESCEN Purchase	5.5

Dam Neck, VA	Reserve Center Additions *	4.3
Roanoke, VA	Reserve Center Additions	.7
NRC Stevens Pt., WI	RESCEN Purchase	1.0
Total Cost		38.8

* Marine Corps Reserve Project

THE BRAC PROCESS

Poor material condition of facilities and lack of funding to repair or replace them have become implicit reason for facilities to be included in the closure lists that the services submit to the Base Realignment and Closure (BRAC) process. In this process, the same poor material condition that is at least part of the reason an installation is originally considered for closure becomes a strong reason to decide to close or consolidate them.

As mentioned in the beginning of this statement, the failure to consider the demographics of current and potential Naval and Marine Corps Reservists was a major failure in the BRAC 93 process. The Reserve Officers Association made this point as strongly as possible last year in a vain attempt to force delay in the approval of the relatively large number of recommended closures and consolidations of Reserve installations. We were also concerned that many of the recommended (and subsequently approved) actions did not consider the existing joint usage of these installations.

Unfortunately, the design of the BRAC process that prevented removal of individual projects for political purposes also prevented removal from consideration many Reserve installations that had not been analyzed in a rational manner. Reserve installations have different rationale for their siting and operation than active force installations. BRAC 93 did not use different criteria to determine their value.

ROA strongly recommends that the Department of Defense be directed to give high priority to the demographic requirements of its Reserve components in BRAC 95 and any similar subsequent actions, and that the Naval and Marine Corps Reserve installations that were approved for closure or consolidation under the BRAC 93 process be reviewed to determine if operations should continue at some of these installations or at other nearby sites.

SUMMARY

In summary, ROA recommends that the MCNR request for \$2.4 million be approved and that as many additional projects as possible be approved for Fiscal Year 1995, that the Department of Defense be directed to ensure that the BRAC 95 process provides strong weight to Reserve demographics, and that Naval and Marine Corps Reserve installations approved for closure under BRAC 93 be reviewed, since demographics were not considered during this process.

CONCLUSION

The Congress has repeatedly expressed its sense that the Reserve components should have a greater role in the nation's defense. ROA appreciates the confidence congressional members have in the nation's Reservists but would remind the Congress that the Reserve components cannot continue indefinitely to do more with less. The budget request for Military Construction for the Army, Air Force, Naval, and Marine Corps Reserves represents the very minimum required and should be funded. It does not begin to reverse the growth of construction backlogs which have plagued the Reserve components for many years. Any add-ons for Military Construction for the Reserve components will be money well spent.

In closing, I would reiterate the need to give the demographics of Reservists greater consideration. The need to provide adequate facilities within reasonable distances of Reservist populations must be factored into decisions relating to base closure and construction requirements.

Finally, I want to thank the panel for its past support and for giving ROA the opportunity to provide its views on Reserve component Military Construction.

Mrs. MEEK. Thank you very much, General Sandler.

As you know, this committee has always been a good friend of the Reserve components. Of course, it is another tight budget year as usual, but we will continue to do the best that we can.

I have a few questions and I note from your list of projects at the end for the Air Force, you did not include Florida nor Ohio in any of your requests, and you have two members of the subcommittee here from those two areas. Of course, I am interested and I am sure my colleague is also.

General SANDLER. I think I am going to have my subject matter expert, the Air Force rep here, respond to that question, but I believe we probably have them in the larger context of our construction requirements.

Colonel GILSTAD. Yes, ma'am. Homestead Air Force Base, I believe, is in the current budget request. Those facilities are in the 28.2. I am not sure about the conversion money. I think that is in the 28.2 for you, too, sir, for Wright-Pat. That is why they do not occur in the list of add-on MilCon projects.

Mrs. MEEK. I see. Thank you.

General SANDLER. We dare not leave out Ohio and Florida.

Mrs. MEEK. Thank you so much. Thank you for your comments and, as I said, every consideration will be given to your request with the limitations of the budget.

General SANDLER. Thank you very much. I appreciate the opportunity.

Mrs. MEEK. Mr. Hobson.

Mr. HOBSON. As long as they got Wright-Patterson there, we are fine.

Mrs. MEEK. All right. He says they are taken care of.

General SANDLER. Thank you very much.

TUESDAY, MARCH 16, 1994.

CONSEQUENCES OF REDUCED DEFENSE FUNDING LEVELS ON THE NAVAL RESERVE

WITNESS

PHILIP SMITH, NAVAL RESERVE ASSOCIATION

STATEMENT OF PHILIP SMITH, NAVAL RESERVE ASSOCIATION

Mrs. MEEK. Last but not least, Mr. Philip Smith, the Naval Reserve Association.

Admiral SMITH. Thank you, Mrs. Meek.

It is a privilege to be afforded the opportunity to submit the views of the Naval Reserve Association on the military construction portion of the fiscal year 1995 Defense budget.

It is a personal pleasure to appear before a distinguished fellow Miamian as a matter of fact.

Mrs. MEEK. Great.

Admiral SMITH. I followed your public service career for a good many years.

The average age of facilities in the Naval Reserve is approximately 40 years. Overall condition varies from good to poor. The backlog of critical—these are critical maintenance repair projects

for the Naval Reserve at the end of fiscal year 1993—was \$90 million. While the level of backlog will be reduced somewhat as facilities continue to be taken out of the inventory due to the BRAC process, there still remains strong need for facilities investment in the Naval Reserve.

We have approximately a billion dollar construction backlog and the majority of that is at the Reserve Air Stations. While the physical condition of the Air Stations is fair, the facilities are old and have not been upgraded in step with the increased requirements of modern aircraft equipment which is now part of the Naval Reserve inventory.

These deficiencies must be addressed in the near future at those Air Stations remaining in the Naval Reserve. Many surface Reserve facilities are in critical need of expansion and/or major repairs. While this need is made somewhat cloudy over the eventual Surface Reserve force structure distribution, there is a definite need to keep major construction and repair programs for the Surface Reserve to be used when the force structure is determined.

This year's budget request, the Navy's portion of that, was only \$2.255 million. This token amount is tantamount to continuing the freeze on military construction, Naval Reserve. The \$2.355 million is broken down as \$840,000 for Arm and De-arm pads for the aircraft at the Naval Air Station New Orleans which is a combined service field, unspecified minor construction for \$158,000, the \$1.357 million for design in 1995. Not a very ambitious attempt to address the \$1.06 billion Naval Reserve backlog of construction and critical maintenance repair projects.

This year's request is in sharp contrast to the 1992 request of \$37.7 million for the Navy Reserve and last year's request for 20.6, both of which were very modest compared to the other Reserve components military construction budget.

The lack of fiscal support for the naval reservists is readily apparent. The Naval Reserve Construction backlog is approximately \$970 million and a backlog of maintenance repair of only \$90 million. Yet the request is very meager and of course that includes the minor construction, planning and design.

The almost billion dollar backlog includes several projects that are sufficiently designed to permit execution in fiscal year 1995 or do not require design because they are acquisitions of existing facilities. NRA recommends that Congress provide the requisite authorization of funding for as many projects as is feasible for the following list, and we will be presenting that before the authorization committee as well.

I am not going to read off the eight projects. They total \$27 million, and they are for major Naval Reserve facilities which we anticipate will not be affected by BRAC.

In summary, the Naval Reserve Association is at a loss to explain this year's grossly underfunded fiscal year 1995 budget request. It is requested that this committee approve as a minimum for fiscal year 1995, \$29.355 million in military construction Naval Reserve funding. This minimal amount is the sum of the Navy's requested 2 million plus and 27 million for the additional recommended projects.

Thank you very much.

[The information follows:]



STATEMENT OF
REAR ADMIRAL PHILIP W. SMITH, USNR (RET)
DIRECTOR OF LEGISLATION AND
PAST NATIONAL PRESIDENT
NAVAL RESERVE ASSOCIATION
TO THE
HOUSE APPROPRIATIONS SUBCOMMITTEE
MILITARY CONSTRUCTION

RADM Philip W. Smith, USNR (Ret)

Rear Admiral Philip W. Smith, a native of Mt. Carmel, Illinois, attended the Universities of Eastern Illinois, Kansas City and Miami obtaining an LLB and J.D. Degree. He began his Naval career in 1942 as an aviation cadet and was commissioned Ensign in 1944, he advanced through the ranks and was promoted to Rear Admiral September 1977. He has been a Transport Plane Commander in the C-54 and C-118, Patrol Plane Commander in the PB4Y and PB4Y. He served as Commanding Officer of VR-742, VR-50, VR-54, and Director Naval Air Logistics Office. As a flag officer he served as DCOS, Deputy COMNAVAIRLANT and as Commander Antilles Defense Command.

Admiral Smith served as assistant Federal Maritime Commissioner from January 1982 to February 1987, and is currently Director of Legislation for the Naval Reserve Association. Previously he was an attorney with a financial and property practice in Miami, Florida, and an airline captain with Delta Air Lines, where he flew DC-8 and DC-10 aircraft. RADM Smith was the National President of the Naval Reserve Association in 1979 thru 1981. During World War II he served in the Pacific Campaign, Marianas and Iwo Jima with VPB-116; Korean conflict, Pacific and Far East, in air transport operations with VR-5; Vietnam and Southeast Asia in C-118's with VR-743 in 1965 and 1966.

He was the pilot of the 1952/53 Bob Hope Christmas Show to Alaska and the Far East. RADM Smith has been awarded the Meritorious Service Medal and Meritorious Unit Commendation. His campaign and service medals are: American and Pacific Theatre, Navy Expeditionary Medal, Victory Medal WW II, and the Occupation, National Service, Naval Reserve, Armed Service, Korean Service and United Nations Medal.

REV. 3/1/91

Chairman Hefner, distinguished members of this Committee, it is a privilege to be afforded the opportunity to submit the views of the Naval Reserve Association on the military construction portion of the Fiscal Year 1995 Defense Authorization bill.

FACILITIES CONDITION

The average age of facilities in the Naval Reserve is approximately 40 years, overall condition varies from good to poor. The Backlog of Critical Maintenance and Repair for the Naval Reserve at the end of FY'93 was \$90 million. While the level of the backlog will be reduced somewhat as facilities continue to be taken out of the inventory due to the BRAC process, there is still strong need for facilities investment in the Naval Reserve.

The bulk of the billion dollar construction backlog resides at the Reserve Air Stations. While the physical condition of the Air Stations is fair, the facilities are old and have not been upgraded in step with the increased requirements of modern aircraft and equipment which is now part of the Naval Reserve inventory. These deficiencies must be addressed in the near future at those Air Stations remaining in the Naval Reserve. Many surface reserve facilities are in critical need of expansion and/or major repairs. While this need is made somewhat cloudy by the uncertainty over the eventual Surface Reserve force structure and distribution, there is a definite need to keep major construction and repair funds programmed for the surface reserve, to be used when the force structure distribution is determined and the remaining needs are known.

MILITARY CONSTRUCTION

The President's Budget Request for Military Construction, Naval Reserve (MCNR) for Fiscal Year 1995 is a mere \$2.355 million. This token amount is tantamount to continuing the freeze on military construction, Naval Reserve. The \$2.355M is broken down as \$840 thousand for NAS New Orleans Airfield Arm/De-arm pads, unspecified minor construction \$158 thousand, and \$1.357 for design in FY'95. Not a very ambitious attempt to address the \$1.06 billion Naval Reserve backlog of construction and critical maintenance and repair projects.

This year's request of \$2.355 million in (MCNR) is in sharp contrast with their 1992 request of \$37.7 million and last year's (FY'94) for request of \$20.6 million, both of which were very modest compared to the other reserve components MC budgets.

The lack of fiscal support for the Naval Reserve is readily apparent. The Naval Reserve Construction backlog is approximately \$970 million and a backlog of maintenance and repair of almost \$90 million. Yet, the request is for a meager \$2.355 million, including minor construction and planning and design.

ADDITIONAL PROJECTS RECOMMENDED

The almost billion dollar Naval Reserve Construction backlog includes several projects that are sufficiently designed to permit their execution in Fiscal Year 1994, or do not require design because they are acquisitions of existing facilities. NRA recommends that Congress provide the requisite authorization and funding for as many projects as is feasible from the following list:

PROJ NO	LOCATION	STATE	PROJECT	COST (\$000)
P-100	NRC Stevens Pt.	WI	RESCEN Purchase	1,000
P-538	NMCRC Pittsburgh	PA	RESCEN Purchase	5,500
P-108	NSA New Orleans	LA	Bldg. 601 Conversion	3,300
P-991	Dam Neck	VA	RESCEN/Veh Maint	4,300
P-363	Dobbins AFB	GA	RESCEN Addition	4,300
P-046	NSA New Orleans	LA	Physical Fitness Fac.	3,200
P-035	NAF Washington	MD	BEQ	2,500
P-105	NSA New Orleans	LA	NAVRES Mgmt. School	<u>2,900</u>
				<u>\$ 27,000,000</u>

SUMMARY

In summary, the Naval Reserve Association is at a loss to explain this year's grossly underfunded FY'95 budget request.

It is requested that this committee approve, as a minimum for Fiscal Year 1995, \$29,355,000 in Military Construction, Naval Reserve (MCNR) funding. This minimal amount is the sum of the Navy's requested \$2,355,000 and \$27,000,000 for the additional recommended projects.

Mrs. MEEK. Thank you.

Mr. Hobson?

Mr. HOBSON. No. Thank you.

Mrs. MEEK. All right. Admiral Smith, you state that your association is at a loss to explain this year's grossly underfunded fiscal year 1995 budget request.

Overall, the military construction budget is down 45 percent from the 1994 level and the amount for the Reserve components is down 77 percent. I am sure that we will try to restore to this program, but it will be difficult. But certainly you have our assurance that we will try.

You did take a big cut. You did take a big hit like most parts of the military construction budget. We understand your feelings.

I also want to say it is good to have you here. With your training, having come from the University of Miami and your having flown for Delta and all of the various backgrounds you have had. We are very happy that a man of your caliber is associated with the job you are doing with the Naval Reserve Association.

Rest assured, now, that we are not just talking. We will do our very best to pay attention to your needs under the constraints of the limited allocation.

Admiral SMITH. If all our facilities were like that magnificent Navy Marine Center in Northwest Dade County, we wouldn't be here before you today. Thank you very much.

Mrs. MEEK. Thank you.

We would like to thank all the witnesses who have testified before us today. If there is no objection, we will keep the record of this hearing open for two weeks to allow us to include any additional testimony that may be submitted.

The committee stands adjourned until next Tuesday at 9:30 a.m. when we will review the Department's program in the Pacific region.

Thank you very much.

[The following statements were submitted for the record:]

STATEMENT OF THE HONORABLE TOM BARLOW
HOUSE MILITARY CONSTRUCTION SUBCOMMITTEE
COMMITTEE ON APPROPRIATIONS

MARCH 1994

Mr. Chairman, Mrs. Vucanovich, distinguished Members of the Subcommittee, I thank you for the opportunity to present testimony concerning military construction projects vital to the U.S. Army facility at Fort Campbell, Kentucky, and thus to the First Congressional District of Kentucky.

EDUCATION CENTER and COMMAND/CONTROL HEADQUARTERS

Fort Campbell requires support for the construction of a post-education facility. In the FY94 military construction budget, \$1 million was appropriated for planning, engineering and design work on the facility. The bill directed that construction funds for this project be included in the FY95 budget request.

Currently, all college/university facilities such as classrooms and administration buildings are wooden, sub-standard and date from World War II.

A modern Command/Control Headquarters is also needed at Fort Campbell. Similar to the education facilities, virtually all command and control facilities for the base are housed primarily in WWII-vintage wooden buildings. A new facility has been proposed that will meet all current standards and needs. The estimated cost is \$33 million.

These two projects will provide modern, up-to-date facilities for the military and civilian workforce, and will establish a continuing education center for military personnel and their dependents.

REVITALIZATION and FY95 PROJECTS

As part of a general revitalization program of the base and soldier community, Fort Campbell has initiated a program to replace 40 and 50-year-old barracks and buildings with new facilities which will be better able to house soldiers, their families and military equipment.

Due to the FY95 military construction postponement, two critical Fort Campbell projects were removed from the FY95 military construction program: the Vehicle Maintenance Shop and the Aviation Maintenance Hanger. As the FY96 military construction program was eliminated, Fort Campbell is left with no construction projects for FY96. The Vehicle Maintenance Shop and the Aviation Maintenance Hanger FY95 projects need to be returned to the FY96 construction program so Fort Campbell may continue the revitalization and replacement program.

RAIL SPUR

Last year, Congress authorized \$10 million for the construction of a rail bypass spur to serve Fort Campbell's military transport and deployment needs. The proposed spur will allow trains from Fort Campbell to bypass a section of rail that currently moves through the center of the city of Hopkinsville. However, Congress did not appropriate funds for construction due to the concerns expressed by local farmers and other citizens concerned about the destruction of farmland and the wisdom of using federal funds to bypass the Hopkinsville rail segment that was recently upgraded with significant federal funds.

Given these concerns, the FY 94 Appropriations Conference directed Fort Campbell to study the project further in coordination with local farmers and civic leaders. This process has been ongoing, and the community is close to reaching a consensus as to an acceptable route. I would ask that this Subcommittee not appropriate funds for this project until local officials and farmers have reached a consensus regarding possible routing.

On behalf of the personnel of Fort Campbell and the citizens of Western and Southern Kentucky, thank you again for allowing me to provide you with this testimony. Furthermore, I thank you for your tireless efforts in support of our nation's military forces.

COMMITTEES
ENERGY AND COMMERCE

MERCHANT MARINE
AND FISHERIES

AGING

REPLY TO
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FRANK PALLONE, JR.
8TH DISTRICT NEW JERSEY

Congress of the United States
House of Representatives
Washington, DC 20515-3006

March 21, 1994

REPLY TO
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TESTIMONY OF REPRESENTATIVE FRANK PALLONE, JR.
BEFORE THE SUBCOMMITTEE ON MILITARY CONSTRUCTION
COMMITTEE ON APPROPRIATIONS

MR. PALLONE: Mr. Chairman, thank you for giving me a few minutes to ask for your support regarding a number of budget requests that are very important to Fort Monmouth, an Army installation that is located near my district in New Jersey.

The first issue I would like to bring to the attention of the Subcommittee is not a funding request, but rather a request that the Army Research Lab (ARL) project be defunded. As you may recall, the 1991 Base Realignment and Closure (BRAC) Commission approved a plan to consolidate the Army's microelectronics laboratories (including the Electronics and Power Sources Directorate at Fort Monmouth) into a single lab that would be constructed in Adelphi, Maryland.

This project, however, has been plagued with controversy since its inception. Most recently, the Inspector General undertook an audit of the project. Although the final version of the audit has not been prepared, the draft concluded that if the project is completed, it will require as much as \$306 million in unnecessary spending for new construction, equipment and associated personnel related expenses.

In response to this information, I asked the Department of Defense Comptroller to freeze the base realignment and closure funds associated with the project. On March 8, 1994, I received a response from the Comptroller confirming that a temporary administrative hold has been placed on the funds until a decision is made as to whether construction of a new lab is necessary.

Last year, this Subcommittee appropriated close to \$7 million for the project. I am asking that this year, the committee decline to fund the project. If the ARL is deemed necessary after the Inspector General's report is complete and the 1995 BRAC has had the opportunity to review the plan, the Subcommittee would then be able to fund the project as originally scheduled. Until that point, I would ask that further appropriations be delayed.

I would also like to ask the Subcommittee to appropriate \$46,950,000 to fund the implementation of the 1993 BRAC decision affecting Fort Monmouth. Specifically, these funds would go toward the renovation and construction of facilities to house personnel that are currently located in leased space. Appropriation of these funds will allow for a swift implementation of the BRAC mandate. I have provided a detailed description of the projects for your information.

I would like to thank you for giving me the opportunity to bring these matters to your attention. Please let me know if I can provide you with further information.

79-381 1130

ADDENDUM TO TESTIMONY OF REPRESENTATIVE FRANK PALLONE, JR.

Specific military construction requests:

1. The 1200 Area . . . \$19,500,000

Renovate space to provide administrative office areas, video conference room, emergency operations center, executive offices and conference rooms, automated data processing (ADP) center, reference library area within existing buildings. Renovation work includes reconfiguration of interior walls; install elevators; heating ventilation, and air conditioning improvements; and information systems improvements; and cafeteria renovation. Supporting facilities include paving, parking, storm drainage, and information systems. Access for the handicapped will be provided.

2. The Myer Center . . . \$3,050,000

Renovate and modify vacant space in one building and construct an addition to another building. Project includes space for administrative, laboratory, shop and storage. Renovate climate control and fabrication shop areas. Construct high bay facility. Supporting facilities for the addition include utilities; electric service; fire protection and alarm systems; paving walks, curbs and gutters; storm drainage; information systems; and site improvements. Access for the handicapped will be provided. Air conditioning will be provided.

3. The IEWD Facility . . . \$19,000,000

Construct a limited access administrative facility and a secure facility built to sensitive compartmented information facility (SCIF) specifications containing two Special Access Programs (SAP) areas, two computer labs, an integrated access control system, common support areas, and other functional areas for graphic arts and classified documents destruction. Provide special temperature and humidity control for SAP areas computers labs, and graphic arts. In addition, construct remote non-SCIF laboratories including a high-bay dock. Additional site considerations include a complete Guardrail V Testbed using existing 65 foot high equipment towers. Supporting facilities include utilities; electric service; uninterruptible power supply; emergency generators; fire protection and alarm systems; paving, walks, curbs and gutters; perimeter fencing and gates; storm drainage; information systems; relocate tower; and site improvements. Access for the handicapped will be provided. Heating and air conditioning (260 tons) will be provided by separate systems.

4. Building 1201 . . . \$5,400,000

Renovate facilities to provide a Restricted Controlled Area (RCA) for administrative space. Provide two Special Access Program (SAP) areas, sensitive compartmented information facility (SCIF), and Class A vaults for handling and open storage of SCIF material. Construct a pre-engineered building for special programs (equipment fabrication). Work includes functional modifications and general renovation including elevator support, improvements to existing heating, ventilating, and air conditioning, interior lighting and power, and communications upgrade. Install and intrusion detection system (IDS). Supporting facilities include information systems. Access for the handicapped will be provided.

CONGRESSMAN BILL RICHARDSON

TESTIMONY
COMMITTEE ON APPROPRIATIONS
SUBCOMMITTEE ON MILITARY CONSTRUCTIONMarch 15, 1994

Thank you Mr. Chairman and members of the Subcommittee for your consideration of projects of great importance to the United States and the Third District in New Mexico.

Cannon Air Force Base (AFB), a major Air Command Combat installation, is located on the high plains of eastern New Mexico. The Base is approximately seven miles west of Clovis, New Mexico and just south of U.S. Highway 60-84.

With a history dating back to the 1920s, Cannon AFB is currently the home of the 27th Fighter Wing, which operates the swing-wing F-111 Tactical Fighter - one of the most sophisticated aircraft in the United States military inventory. Cannon is home to 4,500 officers and enlisted personnel and 582 civilians. With family members, over 9,000 persons live on the Base.

The 27th Fighter Wing is the principle Air Force unit at Cannon AFB. In June 1992, Cannon became part of the new Air Combat Command (ACC). The 27th Fighter Wing is now the only wing, and Cannon the only base, to operate the F-111. Today, the primary mission of the 27th Fighter Wing and Cannon AFB is to develop combat operating procedures for different weather situations and to provide replacement training of combat aircrews for tactical organizations worldwide.

Cannon's F-111 crews have distinguished themselves in yearly competitions and in the Persian Gulf War. Cannon AFB provides an invaluable service to our defense capabilities. Today I would like to highlight several projects of great importance and ask for the Committee's continued support. These projects have already been authorized for later years. I respectfully request that the committee give every consideration to the following projects:

SEWAGE TREATMENT AND DISPOSAL FACILITY**COST: \$10 million**

The project would alter the existing wastewater system providing primary and secondary treatment and flow equalization. This project entails the construction of a new 1 million gallon per day activated sludge treatment plant, artificial wetland, and sludge drying facility to comply with the Clean Water Act for advanced secondary treatment of point source pollution. I respectfully request that the committee support Cannon's sewage treatment and disposal facility.

LIBRARY**COST: \$2 million**

This project entails building a new library facility to support the base population of over 9000. The existing building cannot serve Cannon's entire population, cannot be expanded, and lacks restrooms and handicapped access. I respectfully request the Committee support the construction of a new library at Cannon AFB.

HAZMART**COST: \$1.6 million**

This project entails the construction of a new hazardous materials storage and pharmacy facility. It would provide a single facility for the order, receipt, and issue of hazardous materials. This project will reduce overall base inventory and hazardous materials and will ensure strict control over issue and disposal of those materials. I respectfully request that the Committee support Cannon's HAZMART facility.

I would also like to bring to the Committee's attention projects of great importance to New Mexico's National Guard force. New Mexico's Guard units continue to play a vital role in the defense of our nation. New Mexico's Guard continues to grow and is in need of infrastructure additions and improvements in many areas. I respectfully request that the Committee consider the following projects:

TAOS ARMORY**COST: \$1.7 million**

This project entails building a facility for training and storage. Taos, located in northern New Mexico, is home to numerous National Guard personnel and this armory would allow for a more efficient use of resources.

ARTESIA ARMORY**COST: \$1.5 million**

This project entails building a facility for training and storage. Artesia, located in southern New Mexico, is home to numerous National Guard personnel and this armory would allow for a more efficient use of resources.

Lastly, I would like to highlight the following projects which have already been included in the Department of Defense's Fiscal Year 1995 military construction program.

KIRTLAND AFB, ALBUQUERQUE, NM

Underground fuel storage tanks

Aircrew training facility

Replacement of underground fuel storage tank

Construction of 106 family housing units

WHITE SANDS MISSILE RANGE, WHITE SANDS, NM

Naval ordinance missile test station

HOLLOMAN AFB, ALAMOGORDO, NM

Construction of a dormitory for military personnel

Construction of 76 family housing units

Again, I would like to thank the Committee for its consideration of these important projects.

FISCAL YEAR 1995 OVERVIEW QUESTIONS FOR THE RECORD

TROOP HOUSING

Question. What is the current troop housing deficit, and how many spaces are included in the fiscal year 1995 budget?

Answer. The troop housing deficits, and spaces included in the fiscal year 1995 budget are listed below. These figures include all planned force reductions and base closures (including BRAC III).

	Deficit	Spaces—FY 1995
Army	137,500	3,952
Navy	13,000	2,264
USMC	18,464	238
USAF	60,731	3,946
Total	229,695	10,400

GENERAL PROVISIONS PROPOSED FOR DELETION

Question. For the record, why is the Department recommending that the following general provisions not be included in the 1994 bill?

Sec. 111 NATO/Japan Architect and Engineer Contracts.

Sec. 113 Construction for Proposed Military Exercises.

Sec. 121 Plans for NATO/Japan Burdensharing.

Sec. 125 Compliance with the Buy American Act.

Sec. 126 Sense of Congress—American Made Products.

Sec. 127 Fraudulent use of “Made in America” label.

Answer. The first three provisions are recommended for deletion because they constitute unnecessary and undesirable restrictions on the management of the Department of Defense. Their recommended deletion is consistent with similar recommendations contained in each President’s budget request since the time each of them was enacted. The provisions relating the Buy American Act and the purchase of American Made Products are either recommended for deletion because they do nothing more than restate or direct compliance with laws that the Department is obligated to comply with anyway or because, as statements of the Sense of the Congress they have fulfilled their purpose.

Following is a more detailed discussion of each of these provisions.

Section 111—Japan and NATO architect and engineer contracts. Section 111 constitutes a limitation on the Department’s use of appropriated funds. It was first enacted in the fiscal year 1985 Appropriations Act and prohibits the Department from obligating funds for architect and engineer services of more than \$500,000 for projects to be accomplished in Japan, or NATO countries unless

United States firms are in joint ventures with host nation firms. It is not cost effective.

Section 113—Military exercise construction. Section 113 constitutes a limitation on the Department's use of appropriated funds. It was first enacted in the fiscal year 1985 Appropriations Act and requires the Department to notify the Armed Services and Appropriations Committees 30 days in advance of the plans and scope of any military exercise involving United States personnel if construction related to the exercise is anticipated to be more than \$100,000. The Department is opposed to limitations on the way it does business and has requested deletion of this provision on that basis each year since 1985.

Section 121—NATO, Japan, and Korea host nation support negotiations. Section 117 is a requirement imposed on the Department of Defense that unnecessarily interferes with the way that negotiations for host nation support are conducted. It was first enacted in the fiscal year 1988 Appropriations Act and requires the Secretary of Defense provide an annual report to the Committees on Appropriations of the specific actions proposed to be taken to encourage NATO countries, Japan and Korea to undertake a greater share of the defense burden of the United States and those nations. While the Department is committed to increasing host nation support in all cases, it does not consider that it is necessary or appropriate to include all of the specific details of the Department's negotiations in this area in annual reports to the Congress. Not only could such reports compromise negotiating positions but also they could interfere with the way the Executive branch conducts those negotiations. The Department is, therefore, strongly opposed to this provision.

Section 125—Compliance with Buy American Act. This section provides that no funds may be expended by an entity unless that entity agrees that it will comply with the sections 2 through 4 of the Act of March 3, 1933 (41 U.S.C. 10a-c, popularly known as the "Buy American Act." Compliance with a statute is an obligation imposed by the statute itself. This statute requires compliance with its provisions and is not a subject that can be disregarded or whose effect is dependent upon a "agreement" by those who are compelled to follow it. Statutes are enforceable with or without agreement and are not matters for discretionary application. They are not negotiable. Accordingly, his statute requiring an "agreement" to comply with another statute which must be followed, is totally unnecessary.

Section 126—Sense of the Congress—American made products. This section states that it is the sense of the Congress that recipients of assistance should purchase American-made equipment and products and that the Secretary of the Treasury should provide a notice to each such recipient concerning the foregoing statement of the sense of the Congress. As a statement of the sense of the Congress, it is self executing and continues to exist. It does not need repetition. In terms of providing notice of the sense of the Congress, its direction is to the Secretary of the Treasury and, if repeated, it should be in the bill for the Treasury Department and not the Defense Department.

Section 127—Fraudulent use of “Made in America” label. This provision provides that a person who has been found to have intentionally affixed a fraudulent “Made in America” shall be ineligible to receive any contract or subcontract provided by the Military Construction Appropriations Act. The Department is already bound to comply with the purposes of this section under section 2410f of title 10, United States Code which requires the debarment of persons who are convicted of the offense stated in this section. Accordingly, this does nothing more than restate requirements of law with which the Department must already comply and should not be restated.

MILITARY CONSTRUCTION OVERVIEW

Question. Why is the Department recommending the following new general provisions?

Sec. 119. Use of Base Closure Proceeds.

Sec. 120. Transfer from Homeowners Assistance to Base Closure.

Sec. 122. Amending Prior Law Regarding Guam.

Answer. Sec. 119. BRAC I anticipated land sale revenues of \$175 million are excess to BRAC I implementation requirements; however, the Department is proposing to utilize these anticipated revenues to finance BRAC II implementation requirements. In order to do this, legislative authority is required to permit the use of the BRAC I anticipated revenues for BRAC II implementation needs.

Sec. 120. The Homeowners Assistance Program (HOAP) has \$133 million excess budget authority that is proposed by the Department to finance the FY 1995 Base Closure requirements. In order to do this, legislative authority is required to permit the transfer of the HOAP resources to the BRAC Account to finance BRAC implementation needs.

Sec. 122. The Dire Supplemental provided specific funding to cover the incremental costs arising from natural disasters, including Typhoon Omar on Guam. Subsequent to this supplemental appropriation, additional costs were incurred as a result of the August 1993 earthquake on Guam. The Department believes that it is appropriate to extend the use of these funds to cover costs resulting from the August 1993 earthquake on Guam and that this will also allow the efficient use of the appropriation to cover the costs resulting from the earthquake.

Question. Does the budget request include funding of major medical construction projects at a level that equals the amounts that can be executed during fiscal year 1995?

Answer. Yes.

INFLATION

Question. What inflation rate was used in formulation of the budget request?

Answer. The average inflation rate assumed for FY 1995 was 2.2 percent.

NON-APPROPRIATED FUNDED CONSTRUCTION

Question. Provide for the record the estimated costs (by State, service, and project) of all non-appropriated funded construction over \$500,000 in fiscal year 1993. Also include the lump sum total of all projects between \$200,000 and \$500,000.

Answer. The attached list gives the estimated costs of all nonappropriated fund construction projects over \$500,000 approved in FY 1993. The lump sum of all projects between \$200,000 and \$500,000 that were approved for FY 1993 is \$24.2 million (\$17.1 million approved by HASC and \$7.1 million approved by OSD after HASC gave us back the approval authority).

93APPROV.XLS

**Approved DoD Nonappropriated Fund Major Construction - FY93
(CONUS)**

<u>State</u>	<u>Installation</u>	<u>Project Title</u>	<u>Projected Cost (\$000)</u>	<u>Service</u>
ALABAMA				
AL	Fort McClellan	Golf Facility	1,450	USA
ALASKA				
AK	Ft. Greely	Youth Center	1,600	USA
AK	Ft. Richardson	Youth Center	3,950	USA
ARIZONA				
AZ	Luke AFB	Shopping Center Expansion	12,800	USAF
AZ	Luke AFB	Recreational Facilities	2,000	USAF
CALIFORNIA				
CA	MCAGCC, Twentynine Palms	Recreation Complexes	2,000	USMC
CA	MCB, Camp Pendleton	Branch Exchange	1,400	USMC
CA	Edwards AFB	Arts & Crafts/Auto Hobby Center	3,600	USAF
CA	MCAS El Toro	Exchange Retail Store Renovation	968	USMC
CA	March AFB	Exchange Service Outlet Alteration	1,050	USAF
CA	Travis AFB	Shopping Center	23,000	USAF
COLORADO				
CO	Fort Carson	Sports Fields	4,400	USA
CO	Fort Carson	Youth Center	3,900	USA
CO	USAF Academy	Youth Center Addition	1,750	USAF
DISTRICT OF COLUMBIA				
DC	Bolling AFB	Car Care Center	2,600	USAF
DC	Bolling AFB	NCO Club Food Service Annex	1,200	USAF
FLORIDA				
FL	MacDill AFB	Shopping Center Expansion	7,800	USAF
FL	NS Mayport	Navy Lodge	1,300	USN
FL	Tyndall AFB	Bowling Center Addition	540	USAF
GEORGIA				
GA	Ft. Stewart	Skill Development Ctr/Arts & Crafts	1,550	USA
GA	Moody AFB	Youth Center Addition	1,000	USAF
HAWAII				
HI	Hickam AFB	Burger King	1,850	USAF
HI	MCAS Kaneohe Bay	Marina Pier	500	USMC
HI	Schofield Barracks	Four Seasons/Toyland	2,100	USA
HI	Schofield Barracks	Golf Facilities	3,950	USA
IDAHO				
ID	Mountain Home AFB	Youth Center Addition	2,100	USAF
ILLINOIS				
IL	Scott AFB	Golf Facilities Upgrade	780	USAF

Approved DoD Nonappropriated Fund Major Construction - FY93
(CONUS)

<u>State</u>	<u>Installation</u>	<u>Project Title</u>	<u>Projected Cost (\$000)</u>	<u>Service</u>
KENTUCKY				
KY	Fort Campbell	Skill Development Ctr/Arts & Crafts	840	USA
LOUISIANA				
LA	Fort Polk	Outdoor Recreation Facility	1,400	USA
LA	Fort Polk	Youth Center	1,400	USA
MARYLAND				
MD	Andrews AFB	Shopping Center	11,400	USAF
MASSACHUSETTS				
MA	Westover AFB	Branch Exchange/Gas/Class Six	1,550	USAF
MISSOURI				
MO	Whitman AFB	Co-located Club	3,900	USAF
NEW JERSEY				
NJ	Ft. Monmouth	Golf Facility	3,150	USA
NJ	Ft. Monmouth	Skill Development Center/Auto	650	USA
NEW MEXICO				
NM	Kirtland	Youth Center	2,250	USAF
NEW YORK				
NY	US Military Academy	Cadet Restaurant	1,050	USA
NY	US Military Academy	Youth Center	2,300	USA
NEVADA				
NE	Nellis AFB	Youth Center	1,500	USAF
NORTH CAROLINA				
NC	MCB Camp Lejeune	Exchange Service Station	2,500	USMC
NC	MCAS Cherry Pt.	Branch Exchange	800	USMC
OHIO				
OH	Wright-Patterson AFB	Branch Exchange/Class Six	3,700	USAF
OKLAHOMA				
OK	Fort Sill	Shopping Center	8,000	USA
OK	Tinker AFB	Retail Four Seasons	2,950	USAF
SOUTH CAROLINA				
SC	Fort Jackson	Sports Field	1,350	USA

93APPROV.XLS

**Approved DoD Nonappropriated Fund Major Construction - FY93
(CONUS)**

<u>State</u>	<u>Installation</u>	<u>Project Title</u>	<u>Projected Cost (\$000)</u>	<u>Service</u>
TEXAS				
TX	Fort Bliss	Golf Facility	4,400	USA
TX	Fort Bliss	Indoor Swimming Pool	1,050	USA
TX	Fort Bliss	Recreational Vehicle Park	1,850	USA
TX	Fort Hood	Branch Exchange	1,450	USA
TX	Fort Hood	Outdoor Recreation Area	3,400	USA
TX	Fort Sam Houston	Branch Exchange	1,050	USA
TX	Fort Sam Houston	Fast Food	840	USA
TX	Fort Sam Houston	Shopping Center	8,700	USA
TX	Randolph AFB	Arts & Crafts/Auto/Logistics Center	1,550	USAF
TX	Randolph AFB	Golf Course Wastewater Facility	890	USAF
UTAH				
UT	Tooele Army Depot	Bowling Center	1,700	USA
VIRGINIA				
VA	Dan Dan'l Dist. Centr	Modify Shelving	1,100	USAF
VA	Fort Belvoir	Branch Exchange	1,250	USA
VA	Fort Belvoir	Shopping Center	13,600	USA
VA	Fort Eustis	Golf Facility	1,550	USA
VA	Fort Eustis	Indoor Aquatic Center	5,100	USA
VA	Fort Myer	Class V Store	600	USA
VA	Fort Story	Youth Center	1,200	USA
VA	Henderson Hall	Exchange Retail Store Addition	2,200	USMC
VA	Norfolk Naval Shipyard	Bowling Center	680	USN
WASHINGTON				
WA	Fairchild AFB	Co-located Club Addition	1,000	USAF
WA	Fort Lewis	Community Park	2,550	USA
WA	Fort Lewis	Shopping Center	17,500	USA
WA	Fort Lewis	Sports Stadium	2,000	USA
WA	McChord AFB	Golf Course Irrigation System	790	USAF

PLANNING AND DESIGN

Question. Provide for the record a detailed project listing of all projects included in the FY 1995 planning and design request. This listing should include project scope or square footage, estimated cost, and estimated design cost.

Answer.

MCA projects for which FINAL design is budgeted:

State Station	Project Description	Scope	Meas	Constr \$000	Design \$000
Alabama					
Fort Rucker	Combat Pistol Range	1	EA	500	23
Redstone Arsenal	Physical Fitness Training Center	21,000	SF	2,600	117
Arizona					
Fort Huachuca	Operations Facility	9,000	SF	1,200	54
Fort Huachuca	General Instruction Building	1	LS	8,000	360
Fort Huachuca	Whole Barracks Renewal	360	PN	12,500	563
Yuma Proving Ground	Target Recognition Range	1	EA	15,000	675
Arkansas					
Pine Bluff Arsenal	Quality Evaluation Laboratory	32,072	SF	15,000	675
California					
Camp Parks	Mil Entrance Processing Center	1	LS	4,400	198
Fort Irwin	Consolidated Maintenance Facility	149,054	SF	15,000	675
Colorado					
Fort Carson	Whole Barracks Renewal	552	PN	21,500	968
Fort Carson	Utilities Distribution System	32,865	LF	4,300	194
Fort Carson	Modernize Sewage Treatment Facility	1	LS	8,900	401
Pueblo Depot	Ammunition Demilitarization Fac Ph I	122,770	SF	157,000	7,065
District of Columbia					
Fort McNair	Whole Barracks Renewal	1	LS	6,100	275
Walter Reed AMC	Whole Barracks Renewal	1	LS	5,000	225
Georgia					
Fort Benning	Close Combat Tactical Training Bldg	43,800	SF	4,700	212
Fort Benning	Whole Barracks Renewal	1	LS	23,000	1,035
Fort Benning	Upgrade Carmouche Tank Range	1	LS	1,900	86
Fort Gordon	Battalion Headquarters	1	LS	2,600	117
Fort Gordon	General Purpose Warehouse	20,000	SF	2,400	108
Fort McPherson	Military Entrance Processing Facility	29,752	SF	3,300	149
Fort Stewart	Deployment Staging Area	65,000	SF	7,300	329
Hawaii					
Schofield Barracks	Whole Barracks Renewal	1	LS	23,000	1,035
Illinois					
Charles Price Ctr	Chapel/Child Development Center	19,922	SF	3,400	153
Rock Island Arsenal	Electrical Distribution System	1	LS	4,650	209
Kentucky					
Blue Grass Dep Act	Ammunition Demilitarization Support	1	LS	7,300	329
Fort Campbell	Rail Spur	1	LS	14,600	657
Fort Knox	Multipurpose Training Range	1	LS	5,400	243
Fort Knox	Close Combat Tactical Training Building	1	LS	5,500	248
Kwajalein					
Kwajalein Atoll	Power Plant - ROF Namur Island	10,000	KV	38,000	1,710
Kwajalein Atoll	Unaccompanied Personnel Housing	100	PN	13,400	603
Korea	Whole Barracks Renewal	1	LS	6,838	308
Maryland					
Fort Detrick	R&D Administration Facility	57,525	SF	14,400	648
Massachusetts					
Natick R&D Ctr	Food Engineering Laboratory	15,000	SF	1,500	68
Missouri					
Fort Leonard Wood	Air Condition Barracks	2,800	PN	9,300	419
Fort Leonard Wood	Military Ops in Urbanized Terrain	1	EA	8,000	360
Fort Leonard Wood	Ammunition Renovation Shop	4,600	SF	1,600	72
Fort Leonard Wood	Engineer Qualification Range	1	LS	3,100	140
New York					
US Military Academy	Renovate Physical Fit Train Center	388,000	SF	30,250	1,361
Watervliet Arsenal	Oil Runoff Containment Fac	1	LS	660	30
North Carolina					
Fort Bragg	Electric Substation	1	LS	5,500	248
Fort Bragg	Whole Barracks Renewal	41,160	SF	16,000	720
Sunny Point Terminal	Fire Station	8,400	SF	900	41
Sunny Point Terminal	Railroad Equipment Maintenance	13,600	SF	2,000	90
Oklahoma					
Fort Sill	Central Wash Facility	1	LS	5,000	225
Overseas Various					
Classified Overseas	Interm Staging Facility	1	LS	12,700	572
Classified Overseas	War Reserves Storage	1	LS	26,000	1,170
Classified Overseas	Maintenance and Management Facility	1	LS	3,300	149
Classified Overseas	Strategic Logistic Init Pr	1	LS	242,000	10,890
South Carolina					
Charleston Naval Sta	Army Strategic Maintenance Complex	1	LS	35,300	1,589
Texas					
Fort Bliss	Army Sergeants Major Academy	43,091	SF	4,950	223
Fort Hood	Whole Barracks Renewal	704	PN	16,900	761
Fort Sam Houston	Dining Facility	1,650	PN	2,750	124

State Station	Project Description	Scope	Meas	Constr \$000	Design \$000
Virginia					
Fort Belvoir	Information Systems Facility	89,200	SF	15,000	675
Fort Eustis	Child Development Center Alt/Addn	23,660	SF	3,200	144
Fort Eustis	Whole Barracks Renewal	1	LS	11,500	518
Washington					
Fort Lewis	Readiness Deployment Fac	1	LS	3,100	140
Fort Lewis	Whole Barracks Renewal	1	LS	64,000	2,880
Fort Lewis	Consolidated Fuel Station	1	LS	2,000	90
Worldwide Various	Minor Construction	1	LS	12,000	1,800
	Subtotal			997,198	46,146

MCA projects for which CONCEPT design is budgeted:

State Station	Project Description	Scope	Meas	Constr \$000	Design \$000
Alabama					
Redstone Arsenal	Software Engineering Ctr Annex	140,320	SF	16,500	743
California					
Fort Irwin	NTC Army Airfield	1	LS	30,000	1,350
Colorado					
Fort Carson	Whole Barracks Renewal	406,390	SF	37,082	1,669
Fort Carson	Close Combat Tactical Trainer	1	LS	5,100	230
District of Columbia					
Fort McNair	Physical Fitness Training Center	21,000	SF	3,217	145
Georgia					
Fort Gillem	Operations Facility	1	LS	6,134	276
Fort Gordon	Whole Barracks Renewal	360	PN	9,103	410
Fort Stewart	Close Combat Tactical Trainer	1	LS	5,700	257
Hawaii					
Schofield Barracks	Whole Barracks Renewal	1	LS	16,500	743
Kansas					
Fort Leavenworth	Bell Hall Modernization	309,348	SF	24,547	1,105
Fort Riley	Close Combat Tactical Trainer	1	LS	5,700	257
Kentucky					
Fort Campbell	Whole Barracks Renewal	1	LS	69,000	3,105
Fort Knox	Barracks	1	LS	19,855	893
Fort Knox	Whole Barracks Renewal	1	LS	17,899	805
Fort Knox	Armored Gunnery/Maneuver Range	1	LS	19,900	896
Blue Grass Dep Act	Ammunition Demilitarization Fac Ph I	76,434	SF	177,000	7,965
Kwajalein					
Kwajalein Atoll	Replace Saltwater Intake Facility	1	LS	2,568	116
Louisiana					
Fort Polk	Fire Station	5,550	SF	1,000	45
Maryland					
Aberdeen Proving Grd	Secure Computational Analysis Lab	50,000	SF	22,000	990
Aberdeen Proving Grd	Ammunition Demilitarization Support	1	LS	8,600	387
Aberdeen Proving Grd	Electrical Distribution Facility	1	LS	2,750	124
Adelphi Lab Center	Adelphi Microwave Research Facility	22,800	SF	7,293	328
Fort Ritchie	Whole Barracks Renewal	1	LS	16,000	720
Massachusetts					
Natick R&D Ctr	Whole Barracks Renewal	1	LS	4,700	212
New Hampshire					
Cold Regions Lab	Frost Effects Research Facility Annex	22,925	SF	2,000	90
New York					
US Military Academy	Child Support Service Center	1	LS	8,454	380
North Carolina					
Fort Bragg	Deployment Staging Complex	1	LS	18,216	820
Oklahoma					
Fort Sill	Tactical Equipment Shop	64,000	SF	24,500	1,103
Pennsylvania					
New Cumberland Depot	Military Processing Center	21,263	SF	2,950	133
South Carolina					
Charleston Naval Sta	Wharf Alpha Additions	1	LS	9,200	414
Fort Jackson	Whole Barracks Renewal	1	LS	18,810	846
Texas					
Fort Bliss	Whole Barracks Renewal	302	PN	19,855	893
Fort Bliss	Whole Barracks Renewal	333	PN	24,035	1,082
Fort Bliss	Close Combat Tactical Trainer	1	LS	6,800	306
Fort Hood	Railhead Facility	1	LS	13,400	603
Fort Hood	Whole Barracks Renewal	1	LS	31,000	1,395
Fort Hood	General Purpose Warehouse	1	LS	9,700	437
Washington					
Fort Lewis	Close Combat Tactical Trainer	1	LS	1,700	77
Worldwide Various					
Various Locations	Barracks Revitalization	1	LS	5,300	239
Various Locations	Operations Facilities	1	LS	1,135	51
Various Locations	West Coast Prepo	1	LS	25,000	1,125
Various Locations	Operations Revitalization	1	LS	10,884	490
	Subtotal			761,087	34,255
	TOTAL			1,758,285	80,401

PLANNING AND DESIGN

Question. Provide for the record a detailed project listing by service of all projects in the FY 1995 planning and design request. This listing should include project scope or square footage, estimated cost, and estimated design cost.

Answer. Military Construction Army Reserve (MCAR) planning and design funds requested for FY 1995 are projected to be used to fund various stages of design on the following projects:

State	Location	Program year	Scope (SF)	Estimated project cost (\$000)	Estimated total design cost (\$000)
AK ..	Ft Wainwright	1997	21,435	\$5,123	\$411
AL ..	Jasper	1996	20,128	2,500	265
CA ..	Parks RFTA	1996	38,936	6,093	487
CA ..	Sacramento	1998	136,356	23,526	1,882
GA ..	Ft. McPherson	1998	194,584	36,438	2,718
HI ..	Ft Shafter	1996	51,120	13,548	1,219
IL ...	Arlington Hgts (BPC)	1996	38,118	5,239	515
KS ..	Topeka	1996	57,489	6,855	466
MI ..	Grand Rapids	1998	72,883	9,576	793
MN ..	Buffalo	1997	24,446	4,156	410
NC ..	Ft Bragg	1997	119,187	11,263	862
NC ..	Hickory	1998	24,275	1,513	246
NJ ..	Edison	1998	37,804	4,800	390
NV ..	Las Vegas	1996	94,606	20,464	1,500
NY ..	Ft Wadsworth	1998	82,605	13,087	1,046
OH ..	Marion	1998	44,725	3,804	507
PA ..	Gevena	1996	53,565	7,503	600
SC ..	North Charleston ...	1997	77,378	8,563	519
TX ..	Houston	1997	37,200	5,750	460
VA ..	Ft Eustis (ASF)	1996	47,275	10,758	860
VA ..	Ft Eustis (USARC) ..	1997	82,259	11,222	700
WA ..	Ft Lawton	1998	11,459	23,526	1,943
WI ..	Green Bay	1996	52,718	6,483	590
WI ..	Ft McCoy	1997	106,064	14,856	880

PLANNING AND DESIGN

Question. Provide for the Record a detailed project listing by service of all projects included in the FY 1995 planning and design request. This listing should include projects scope or square footage, estimated cost, and estimated design cost.

Answer. The ARNG proposed project list, subject to Army POM and CRRC approval, is provided as follows:

State	Location	Description	Estimated cost	Design Cost
AK	Fairbanks	Armory ADD/ALT	\$3,292,000	\$329,200
AK	Fairbanks	OMS ADD/ALT	640,000	64,000
AL	Huntsville	Patriot Training Park	369,000	36,900
AZ	Navajo	LDRS reaction course	265,000	26,500
CA	Camp Roberts	Field shower/latrine	276,000	27,600
CT	Brandford	CMS ADD/ALT	199,000	19,900
FL	Camp Blanding	Waste water treat. plant	2,083,000	208,300
GA	Savannah	OMS ADD/ALT	147,000	14,700
IA	Boone	C-23/U21 maint. hangar	389,000	38,900
MA	Camp Edwards	Training site upgrade	240,000	24,000
MS	Camp Shelby	Road upgrade	250,000	25,000
NE	Lincoln	Aviation SPT FAC ADD/ALT	379,000	37,900
OR	Hermiston	Armory	1,585,000	158,500
PR	San Juan	Armory alteration	395,000	39,500
RI	Smithfield	CSMS sewer upgrade	200,000	20,000

State	Location	Description	Estimated cost	Design Cost
TN	Catoosa	Maint. training workbay	182,000	18,200
TN	Henderson	OMS ADD/ALT	268,000	26,800
Total			11,159,000	1,115,900

Question. Provide for the record a detailed project listing of all projects included in the FY 1995 planning and design request. This listing should include project scope or square footage, estimated cost, and estimated design cost.

Answer. The attached spread sheets contain the Navy's projects that are included in the FY 1995 planning and design request.

DEPARTMENT OF THE NAVY

PROJECT DESIGNS WHICH REQUIRE FY95 MCON FUNDING BASED ON THE CURRENT PROGRAM AND IS SUBJECT TO CHANGE

PY	ST/CT	LOCATION/INSTALLATION	PN	DESCRIPTION	SCOPE	PROGRAM COST	DESIGN \$
1996	CA	CAMP PENDLETON CA MCAS	347	TRANSPORTATION INFRASTRUCT	70000 SY	5,477	274
1996	CA	CONCORD CA NWS	075	FILLING STATION	0 LS	914	46
1996	CA	FALLBROOK CA NWS ANNEX	172	EXPLOSIVES HOLDING YARD	7800 SY	1,117	56
1996	CA	NORTH ISLAND CA NAS	503	CHILD DEVELOPMENT CENTER	24750 SF	4,164	208
1996	CA	NORTH ISLAND CA NAS	700	NUCLEAR CARRIER PIER - PHI	0 LS	48,657	2,433
1996	CA	SAN CLEMENTE IS CA NF	555	BACHELOR ENLISTED QUARTERS	6000 SF	4,343	217
1996	CA	SAN DIEGO CA NS	186	OILY WST COLL & SEP FACZ	0 LS	25,191	1,260
1996	CA	SAN DIEGO CA NS	333	CHILD DEVELOPMENT CENTER	15700 SF	2,451	123
1996	CA	SAN DIEGO CA PWC	151	INDUST WASTE TREATMENT FAC	0 LS	366	18
1996	CA	TWENTYNINE PALMS CA MAGCC	508	ANTI-ARMOR AIR TRCKING RGE	0 LS	2,345	117
1996	CT	NEW LONDON CT NSB	021	HAZARDOUS MATERIAL WAREHSE	77520 SF	6,726	336
1996	CT	NEW LONDON CT SUBSUPPAC	427	CONTROL INDUSTRIAL FAC	0 LS	12,067	603
1996	FL	EGLIN AFB FL NAVSCL EODDET	901	EOD TRAINING COMPLEX	120900 SF	13,205	680
1996	FL	KEY WEST FL NAS	559	GYMNASIUM	11850 SF	2,031	102
1996	FL	PANAMA CITY FL NSWCCSTSYS	902	UNDERWATER ORDN TRNG FAC	15000 SF	1,980	99
1996	GA	ALBANY GA MCLB	805	AUTO TEST SPT CTR-DBOF	0 LS	5,093	255
1996	GU	GUAM NAVMAG	812	FIRE PROTECTION PUMPG STA	0 LS	914	46
1996	GU	GUAM NCTAMS WESTPAC	239	BACH ENL QTRS MODERN	19580 SF	2,310	116
1996	GU	GUAM PWC	222	WASTEWATER TREAT PLT UPGS	0 LS	5,573	279
1996	HI	BARKING SANDS HI PMRF	211	SEWAGE TREAT PLANT EXPANS	0 LS	1,726	86
1996	HI	FORD IS HI NS ANNEX	430	ROAD IMPROVEMENTS	0 LS	1,015	51
1996	HI	LUALUALEI HI NM	155	MISSILE MAGAZINES	16640 SF	8,827	441
1996	HI	LUALUALEI NUSWE STA DET	313	RANGE OPERATIONS CENTER	2800 SF	1,676	84
1996	HI	OPANA HI NCTAMS EPAC NTS	156	FIRE PROTECTION SYSTEM	0 LS	355	18
1996	HI	PEARL HARBOR HI FISC	123	FIRE PROTECTION SYS IMPVS	291160 SF	1,390	70
1996	HI	PEARL HARBOR HI INTCTRPAC	003	OPS BUILDING UPGRADE	0 LS	4,000	200
1996	HI	PEARL HARBOR HI INTCTRPAC	386	OPS BUILDING UPGRADE	0 LS	4,785	239
1996	HI	PEARL HARBOR HI NS	444	BEQ ADDITION	48530 SF	4,637	232
1996	HI	PEARL HARBOR HI NSB	017	PHYSICAL FITNESS CENTER	20000 SF	4,298	215
1996	HI	PEARL HARBOR HI NSB	087	BERTHING PIER	1080 FB	22,307	1,115
1996	HI	PEARL HARBOR HI PWC	497	IND WASTE TREAT FAC IMPRVS	0 LS	11,626	591
1996	IN	INDIANAPOLIS IN NAWCACDIV	028	CHEMICAL PROC FAC	66600 SF	10,868	543

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DEPARTMENT OF THE NAVY

PROJECT DESIGNS WHICH REQUIRE FY85 MCON FUNDING BASED ON THE CURRENT PROGRAM AND IS SUBJECT TO CHANGE

PY	ST/CT	LOCATION/INSTALLATION	PN	DESCRIPTION	SCOPE	PROGRAM COST	DESIGN \$
1986	IT	NAPLES ITALY NSA	176	QUALITY OF LIFE PHASE III	383334 SF	7,719	386
1986	ME	KITTERY ME PORTSMOUTH NSY	217	PAINT AND BLASTING SHOP	47863 SF	9,835	492
1986	NC	CAMP LEJEUNE NC MCB	934	TRAINING RANGE FACILITIES	0 LS	1,605	80
1986	NC	CAMP LEJEUNE NC MCB	974	WSTWTR TRMT PLNT-PH II	0 LS	22,415	1,121
1986	PA	PHILADELPHIA PA NISMF	589	BERTHING WHARF (INCR III)	650 LF	4,804	240
1986	RI	NEWPORT RI NETC	387	CHILD DEVELOPMENT CENTER	13545 SF	1,513	76
1986	RQ	ROOSEVELT RDS PR NS	825	BACHELOR ENLISTED QUARTERS	103750 SF	10,157	508
1986	SC	CHARLESTON SC NWS	961	OILY WASTE TREATMENT FAC	0 LS	1,015	51
1986	VA	NORFOLK VA FISC	005	ELECT SYS UPGRADE	0 LS	1,728	86
1986	VA	NORFOLK VA NS	301	DEPERMING PIERS	0 LS	7,212	361
1986	VA	NORFOLK VA NS	786	CHILD DEVELOPMENT CENTER	19650 SF	2,285	114
1986	VA	NORFOLK VA NS	318	SIMA	0 LS	24,480	1,224
1986	VA	QUANTICO VA MCCOMBDEV CM	428	SANITARY LANDFILL	0 LS	8,763	438
1986	VA	QUANTICO VA MCCOMBDEV CM	433	COMB ARMS STAFF TRNR FAC	14000 SF	1,970	99
1986	VA	YORKTOWN VA NWS	488	SANITARY SEWAGE LINES	0 LS	4,469	223
1986	VA	YORKTOWN VA NWS	501	MK-48 ADCAP MAGAZINE	9296 SF	3,384	169
1986	VA	YORKTOWN VA NWS	509	STANDARD MISSILE MAGS	18590 SF	7,110	356
1986	VA	YORKTOWN VA NWS	539	INDUS WATER DISTR SYS IMPV	0 LS	6,297	315
1986	VA	YORKTOWN VA NWS	407	MAGAZINES	0 LS	1,625	81
1986	WA	BREMERTON PUGETSND WA NS	261	FLEET PARKING AREA	40500 SY	2,234	112
1986	WA	BREMERTON PUGETSND WA NS	278	FLT SPT FACS/PARKING	25500 SF	3,656	183
1986	WA	EVERETT WA NS	045	SHORE INTER MAINT FAC	118000 SF	15,947	797
1986	WA	EVERETT WA NS	086	BACH ENL QTRS (INCR II)	53380 SF	7,987	384
1986	WA	MANCHESTER WA FUELDPSPN	092	FIRE STATION REPLACEMENT	4160 SF	660	33
1986	WA	PORT HADLOCK WA NWPNSAD	315	SANITARY WASTEWTR SYSTEM	0 LS	863	43
1986	WA	WHIDBEY IS WA NAS	100	OPERATIONAL TRAINER FAC	3970 SF	1,117	56
1986	XV	ZVARLOCS MILCON	603	SUPPLY WAREHOUSE/OFF REPLACE	8750 SF	865	43
1986	XV	ZVARLOCS MILCON	901	COMMUNICATINS BLDG ADDN	0 LS	6,125	308
1986	ZU	XUNSPECIFIED MINOR CONST	096	UNSPECIFIED MINOR CONSTR	0 LS	11,083	554
1987	AZ	YUMA AZ MCAS	346	HIGH EXPLOSIVE MAGAZINES	30336 SF	7,616	381
1987	CA	BARSTOW CA MCLB	145	BATTALION HEADQUARTERS BLD	100000 SF	4,284	214
1987	CA	CAMP PENDLETON CA MCAS	004	AIRFIELD IMPROVEMENTS	0 LS	5,427	271

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PROJECT DESIGNS WHICH REQUIRE FY95 MCON FUNDING BASED ON THE CURRENT PROGRAM AND IS SUBJECT TO CHANGE

PY	ST/CT	LOCATION/INSTALLATION	PN	DESCRIPTION	SCOPE	PROGRAM COST	DESIGN \$
1997	CA	CAMP PENDLETON CA MCAS	559	GSE SHED ADDITION	0 LS	800	40
1997	CA	CAMP PENDLETON CA MCB	543	WATERLINE INTERCONNECTION	0 LS	7,235	362
1997	CA	CAMP PENDLETON CA MCB	548	AUTOMATED FLD FIRING RANGE	0 LS	2,722	136
1997	CA	CHINA LAKE CA NAWCWPNSDIV	428	SECURE COMMS PRJS FAC	33750 SF	12,735	637
1997	CA	FALLBROOK CA NWS ANNEX	202	AMRAM MAGAZINE	9300 SF	2,583	128
1997	CA	MIRAMAR CA NAS	354	BACHELOR ENLISTED QUARTERS	40000 SF	2,856	143
1997	CA	NORTH ISLAND CA NAS	700A	BERTHING PIER (PHASE II)	168000 SF	48,184	2,409
1997	CA	NORTH ISLAND CA NAS	701	NUCLEAR MNT FAC - PH I	300000 SF	11,174	559
1997	CA	PORT HUENEME CA NSWCIV	016	MSL SYS INTEGR LAB	50228 SF	10,559	528
1997	CA	SAN CLEMENTE IS CA NF	577	RATCF	9800 SF	4,959	248
1997	CA	SAN DIEGO CA NS	244	OILY WASTE COLL SYS PHII	0 LS	19,991	1,000
1997	CA	TWENTYNINE PALMS CA MAGCC	241	COMM/ELEC MAINT FAC	40000 SF	4,456	223
1997	CT	NEW LONDON CT NSB	434	SUBMARINE BERTHS UPGRADE	0 LS	13,464	673
1997	DC	WASHINGTON DC NRL	050	MATERIALS RESEARCH CENTER	20000 SF	9,168	458
1997	DG	DIEGO GARCIA NAF	122	BOS MED/DENTAL CLINIC	0 LS	435	22
1997	DG	DIEGO GARCIA NAF	124	WATER SYSTEM IMPROVES	0 LS	8,616	441
1997	FL	JACKSONVILLE FL NAS	214	BACH ENL QTRS	0 LS	12,720	638
1997	FL	KEY WEST FL NAS	631	POTABLE WATER STORAGE DIST	2750000 GA	4,510	228
1997	FL	KEY WEST FL NAS	804	CHILD DEVELOPMENT CENTER	23100 SF	4,203	210
1997	FL	MAYPORT FL NS	827	DEMNERIALIZATION FACILITY	0 LS	1,332	67
1997	GA	KINGS BAY GA NSB	514	DIKE	0 LS	6,817	341
1997	GA	KINGS BAY GA NSB	517	BACHELOR ENLISTED QUARTERS	65000 SF	10,253	513
1997	GA	KINGS BAY GA NSB	525	DREDGING	1400000 CY	8,929	446
1997	GU	GUAM NAVSTA	389	CHILD DEVELOPMENT CTR ADDN	7500 SF	638	32
1997	HI	CAMP H. M. SMITH OAHU HI	115	STORM SEWER	0 LS	611	31
1997	HI	HONOLULU HI NCTAMS EPAC	125	GYMNASIUM ADDN & REN	11000 SF	1,428	71
1997	HI	PEARL HARBOR HI FISC	155	MHE REPAIR/MAINT FAC	14190 SF	2,665	133
1997	HI	PEARL HARBOR HI NS	361	CHILD DEVELOPMENT CENTER	5778 SF	1,066	53
1997	HI	PEARL HARBOR HI NSB	089	SUPPLY WAREHOUSE	19800 SF	5,081	254
1997	HI	PEARL HARBOR HI NSB	122	BACH OFF QTRS RENOVATION	28054 SF	1,293	65
1997	HI	PEARL HARBOR HI PWC	480	EMERGENCY GENERATOR SYSTE	0 LS	2,475	124
1997	IN	CRANE IN NAVSURFWARCEINDIV	263	HYDROACOUSTICS TEST COMPLEX	8000 SF	3,075	154

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PROJECT DESIGNS WHICH REQUIRE FY85 MCON FUNDING BASED ON THE CURRENT PROGRAM AND IS SUBJECT TO CHANGE

PY	ST/CT	LOCATION/INSTALLATION	PN	DESCRIPTION	SCOPE	PROGRAM COST	DESIGN \$
1997	IN	INDIANAPOLIS IN NAVCAGDIV	035	AIR COND PLANT RENOV	0 LS	3,280	164
1997	IT	NAPLES ITALY NSA	111	MAINTENANCE HANGAR	129000 SF	10,354	518
1997	IT	NAPLES ITALY NSA	187	OPERATIONS CENTER	58550 SF	9,838	482
1997	IT	SIGONELLA ITALY NAS	275	PARACHUTE SHOP ADDN	12100 SF	1,537	77
1997	MD	BETHESDA MD NATNAVMEDCEN	931	PARKING STRUCTURE	119540 SF	6,807	340
1997	MD	INDIAN HEAD MD NSWC TRDIV	759	INFLU FUSED ORD TEST FAC	1700 SF	820	41
1997	ME	REDINGTON TWSHP ME SERESH	147	MULTI-PURPOSE BUILDING	15550 SF	2,563	128
1997	NC	CAMP LEJEUNE NC MCB	542	ELECA COMM MAINT SHOPS	8060 SF	4,951	248
1997	NC	CHERRY POINT NC MCAS	022	EA-6B TRAINER FACILITY	0 LS	2,999	150
1997	NC	CHERRY POINT NC MCAS	070	ENGINE TEST CELL	0 LS	6,760	338
1997	NC	NEW RIVER NC MCAS	506	AVIATION ARMAMENT SHOPS	21400 SF	4,142	207
1997	NJ	EARLE NJ NWS	953	GEN PURP BERTH PIER (PH I)	15750 SY	64,075	3,204
1997	NJ	LAKEHURST NJ NAWC ACFTDIV	230	WAREHOUSE UPGRADE	60000 SF	1,127	56
1997	NV	FALLON NV NAS	246	BEQ MODERNIZATION	323 PN	3,143	157
1997	PR	ROOSEVELT RDS PR NS	504	SANITARY LANDFILL	28 AC	9,329	466
1997	RI	NEWPORT RI NUSWC TR DIV	030	TEST & EVALUATION FACILITY	60000 SF	3,199	160
1997	SC	BEAUFORT SC MCAS	384	ARMORY FACILITY	5000 SF	1,537	77
1997	SC	CHARLESTON SC NWS	910	MISSILE MAGAZINE-DBOF	13825 SF	3,298	165
1997	SC	PARRIS ISLAND SC MCRD	018	BATTALION OPS CENTER	15390 SF	2,286	114
1997	SC	PARRIS ISLAND SC MCRD	327	CLASSROOM	12027 SF	1,486	74
1997	TX	INGLESIDE TX NS	042	MAGNETIC SILENCING FAC	0 LS	6,853	343
1997	TX	KINGSVILLE TX NAS	208	LAND ACQUISITION	379 AC	1,507	75
1997	UK	ST MAWGAN UK JMCC	108	FAMILY SERVICES CENTER	3500 SF	1,025	51
1997	UK	ST MAWGAN UK JMCC	112	EXCH & COMMISSARY RENOV	4720 SF	1,209	60
1997	VA	DAHLGREN VA NSWC TR DIV	263	COMPUTER CENTER ADDITION	25400 SF	5,126	256
1997	VA	LITTLE CREEK VA NAVPHIBSE	428	CHILD DEVELOPMENT CTR ADDN	16330 SF	2,152	108
1997	VA	NORFOLK VA NS	711	BACHELOR ENLISTED QUARTERS	90200 SF	5,597	280
1997	VA	NORFOLK VA UNDERSEASURV LN	003	SURTASS SPT CTR EXPANSION	0 LS	2,427	121
1997	VA	OCEANA VA NAS	102	CONTROL TOWER REPLACEMENT	0 LS	891	45
1997	VA	PORTSMOUTH VA NORFOLK NSY	356	PWR PLANT EMISSIONS - PH I	0 LS	23,800	1,190
1997	VA	YORKTOWN VA NWS	398	CHILD DEVELOPMENT CENTER	6038 SF	1,424	71
1997	VA	YORKTOWN VA NWS	461	EOD OPS FAC	8070 SF	1,640	82

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DEPARTMENT OF THE NAVY

PROJECT DESIGNS WHICH REQUIRE FY95 MCON FUNDING BASED ON THE CURRENT PROGRAM AND IS SUBJECT TO CHANGE

PY	ST/CT	LOCATION/INSTALLATION	PN	DESCRIPTION	SCOPE	PROGRAM	
						COST	DESIGN \$
1997	VA	YORKTOWN VA NWS	502	MK-48 ADCAP MAGAZINE	22380 SF	2,785	139
1997	VA	YORKTOWN VA NWS	507	AIWS MAGAZINES	11480 SF	2,665	133
1997	VA	YORKTOWN VA NWS	532	BACHELOR ENLISTED QTRS	51163 SF	3,075	154
1997	WA	BREMERTON PUGETSND WA NS	262	METAL PREP FAC IMPROVES	1 EA	1,476	74
1997	WA	EVERETT WA NS	205	BERTHING PIER	1350 LF	17,633	882
1997	XV	ZVARLOCS MC&MR BASE OPS	981	MSL MTRMAGS UPGD(CP NAVAJO	0 LS	10,253	513
1997	XV	ZVARLOCS MC&MR BASE OPS	982	UTILS & SITE IMPVS (PH-I)	0 LS	14,865	743
1997	XV	ZVARLOCS MILCON	604	PUBLIC WORKS COMPLEX	11500 SF	1,571	79
1997	ZU	XUNSPECIFIED MINOR CONST	097	UNSPECIFIED MINOR CONSTR	0 LS	12,152	608

Question. Provide for the record a detailed project listing by service of all projects included in the FY 95 planning and design request. This listing should include project scope or square footage, estimated cost, and estimated design cost.

Answer. The Air Force did not program FY 95 Planning & Design funds based on a specific project listing. A DoD algorithm is used to determine the Planning & Design budget for a given year. FY 95 Planning and Design was based upon the Military Construction budget estimates contained in the Program Objective Memorandum (6.5% of FY 96 MILCON lump sum and 2.5% of FY 97 MILCON lump sum). The Air Force is currently developing a project line item listing for FYs 96 and 97.

DBOF MILITARY CONSTRUCTION

Question. Please describe for us how a construction project works its way internally through the Defense Business Operations Fund (DBOF) system, before it gets presented to us. What is the competition like within the services, and what hurdles remain after the services endorse a project?

Answer. There are no military construction projects within the DBOF funding request. Including the cost of military construction within DBOF to represent the full cost of the business was proposed in the FY 1991 President's budget and was denied by the Congress. Military construction required for DBOF activities is contained within the military construction request and, if approved, becomes a part of the military construction authorization and appropriation legislation. It is not part of the DBOF title.

DBOF activities with military construction requirements must support them through the normal milcon appropriation process of the parent service and OSD. There are no special rules for DBOF milcon.

Question. This year, no DBOF projects are presented for direct appropriation, but this is clearly this Subcommittee's preferred method for financing these projects. Are funds accruing, as a result of user fees, that will finance future construction?

Answer. The military construction appropriation request includes projects for DBOF activities. Examples include the projects for the Defense Fuels Support Point, Craney Island, Virginia and a fire station for the Defense Construction Supply Center in Columbus, Ohio. These are DLA activities resourced under the DBOF. These projects are requested as direct appropriation in military construction. However, there is no DBOF funding nor DBOF income through depreciation. This is consistent with congressional guidance.

Fiscal year 1995 DBOF prices included in the President's budget include no cost recovery factors for the depreciation of military construction. No funds are accruing, nor have funds accrued, to finance future military construction of DBOF activities.

SECTION 6 SCHOOLS

Question. What is the current backlog of facilities requirements for Section 6 schools?

Answer. It is \$87,014,000.

Question. With a backlog this large, how did you set priorities for which projects to fund first?

Answer. The following factors were considered in establishing the priorities for our military construction projects: (1) The addition of family housing units to the installation; (2) the percentage of unhoused school children on that installation; (3) the type of facility requested; (4) if the project had been previously programmed; (5) the priority of the school system within which the project was requested; and (6) whether the project was at or could reach the 35 percent design level in a timely manner to execute programmed funds.

Question. The budget proposes a new general provision in the Defense Appropriations Bill—Section 8056—which would permit Family Housing O&M costs to be financed under that bill. Why is this language necessary?

Answer. This language is necessary to give the Department the authority to incur limited obligations in the active forces O&M accounts for family housing operation and maintenance type costs. The intent of this provision is to broaden the flexibility for decision makers at the base level. The Department recognizes that it is not feasible to combine all the base level appropriations into one account as envisioned by the unified budget concept contained in the National Performance Review, but wants to expand the local commander's options to the extent practicable.

Question. How would the Department audit the exercise of this authority if it is granted?

Answer. Each Military Department will submit a special report to the DoD Comptroller.

Question. Should this be viewed as opening the door to "unified budgeting" as a part of "Reinventing Government"?

Answer. The Department views that as part of the unified budget concept. The intention is to see what activity occurs as a result of this provision to see if additional proposals would be beneficial.

GOVERNMENT-WIDE GENERAL PROVISION

Question. The budget proposed a new Government-wide general provision (see fiscal year 1995 Budget Appendix, Page 11, Section 622) that would allow you to retain certain unobligated balances, and to use a portion of such sums for employee training and awards. Several accounts in the Military Construction Appropriations bill provide funds for personnel compensation and benefits. How would this proposed general provision impact those accounts?

Answer. The Government-wide general provision is an outgrowth of the National Performance Review recommendations. Its primary purpose is to promote economy by providing incentives for reducing expenses for salaries and expenses. Any impacts of its provisions would be dependent on the amounts of any foregone expenditures during a fiscal year. These amounts could not be determined until the end of a fiscal year. It is unlikely that this provision would have any significant impact, if it would have an impact at all, on any amounts provided in the Military Construction Appropriations Act for personnel compensation and benefits. This is because the Department's budget request is based on actual needs and the expectation that these needs would be fully met and the funds fully

expended by the end of the fiscal year. Therefore, it is unlikely that there would be any appreciable amounts provided for salaries and expenses that would remain unexpended at the end of the fiscal year which would be the subject of this Government-wide general provision.

DEPOT CONSOLIDATION AND DEFENSE FINANCIAL AND ACCOUNTING
SERVICE

Question. Please bring us up to date with the current status of cross-service depot consolidation and DFAS reorganization. In particular, what is the timetable for reaching decisions that may have Military Construction impacts.

Answer. No further consolidations of supply depots have occurred since all Continental United States (CONUS) supply depots were consolidated under Defense Logistics Agency (DLA) control on March 16, 1992. Two factors which have impacted ongoing/planned Military Construction projects are depot closures directed by BRAC and inventory reduction initiatives. All Military Construction projects planned for depots closing as a result of the BRAC process have been cancelled. Inventory reduction initiatives will result in a 30 to 42 percent net decrease in storage space requirements by 1997. As a result, Military Construction projects will be oriented towards replacing older storage facilities and other buildings which are uneconomical to maintain. The DFAS Consolidation Task Force is currently engaged in research and analysis of various locations to present to the Secretary of Defense for a decision. At that time an announcement will be made concerning the sites selected. The evaluation will be based on cost to the government, maintenance of customer service, use of defense assets made redundant by the end of the Cold War, and recommendation to consolidate at approximately 5 to 15 locations. Since the evaluation process considers DoD and General Services Administration (GSA) facilities as potential candidates, it would be premature to speculate on possible military construction requirements until after the Secretary's decision.

DoD Base Realignment and Closure
Executive Summary and Budget Justification

FY 1995 Budget Estimates



Justification Data Submitted to Congress
February 1994

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I. Base Realignment and Closure Overview

A. Background

The Defense Secretary's Commission on Base Realignment and Closure was chartered on May 3, 1988 to recommend military installations within the United States, its commonwealths, territories, and possessions for realignment and closure. The Congress and the President subsequently endorsed this approach through legislation that removed some of the previous impediments to successful base closure actions. The Defense Authorization Amendments and Base Closure and Realignment Act, Public Law 100-526, as enacted on October 24, 1988, provides the basis for implementing the recommendations of the 1988 Commission. Under this Act, all closures and realignments must be initiated no later than September 30, 1991 and must be completed no later than September 30, 1995. Funding for these actions resides in the Base Realignment and Closure Account - Part I (BRAC-I) which spans fiscal years 1990 through 1995.

The National Defense Authorization Act for FY 1990 and 1991, Section 2831, allowed for the one-time transfer of \$31 million from BRAC-I into the FY 1990 Homeowners Assistance Fund. The Fund is used to assist employees who are forced to move as a consequence of base closures and who find that they must sell their homes in real estate markets which have been adversely affected by the closure decision. The FY 1995 budget request includes a legislative proposal to allow for the transfer of \$133.0 million of excess Homeowners Assistance Program funds to the Base Realignment and Closure Account-1990 (BRAC II) to help finance FY 1995 requirements.

In the Committee Reports accompanying the FY 1990 Military Construction Appropriations Act, the Congress began applying some restrictions on the use of BRAC-I funds. Concerned that the one-time implementation costs had increased by \$1 billion when compared to the 1988 Commission's estimate, the House Appropriations Committee (HAC) adopted a spending cap for military construction and family housing of \$2.4 billion. This cap was reflected in the FY 1990 Act itself. The FY 1992 Military Construction Appropriations Act lowered the cap to \$1.8 billion commensurate with the budget request.

On November 5, 1990, The President signed Public Law 101-510, Title XXIX, Defense Base Closure and Realignment Act of 1990, establishing an independent commission known as the Defense Base Closure and Realignment Commission which meets only during calendar years 1991, 1993, and 1995. The purpose of the Commission is to ensure a timely, independent, and fair process for closing and realigning U.S. military installations. The actions to implement the recommendations of the 1991 Commission are underwritten from the Base Realignment and Closure Account 1990 (BRAC-II). Actions must be initiated no later than two years after the date on which the President transmits a report to Congress and all closures and realignments must be completed

no later than the end of the six-year period beginning on the same date. Since the first report was transmitted to the Congress on July 1, 1991, BRAC-II spans fiscal years 1992 through 1999.

Public Law 101-510 included a number of other provisions affecting base closure, one of which designated BRAC-I to be the exclusive source of funds for environmental restoration projects (Section 2923) relating to this process. The intent of this section was to preclude the cleanup actions at bases slated for closure from competing with other sources of funding for environmental cleanup such as the Defense Environmental Restoration Account (DERA). A total of \$100 million was authorized to expedite the cleanup so that bases may be promptly sold or otherwise transferred to the communities at the earliest possible time. The Military Construction Appropriations Act for FY 1991 also specified that \$100 million of BRAC funds be available solely for environmental restoration.

The National Defense Authorization Act for FY 1992 and FY 1993, section 2822, requires an explanation for inconsistencies between the cost of military construction projects, adjusted for inflation, provided to the Commission, and the cost of the projects as included in the authorization request. The Inspector General of the Department of Defense is responsible for investigating any inconsistencies. The Act also held that the BRAC-II account was the exclusive source of funds for environmental restoration projects at closing bases (Section 2827). This ensures environmental restoration funding for BRAC bases.

The Military Construction Act for FY 1994 established floors of \$262.3 million and \$300.0 million for environmental restoration at bases slated for closure under BRAC I and BRAC II, respectively. The Military Construction Appropriations Act for FY 1993 established floors of \$134.6 million and \$308.9 million for environmental restoration at bases slated for closure under BRAC-I and BRAC II, respectively. The Military Construction Act for FY 1992 established an environmental restoration floor of \$220.0 million for BRAC I. Additionally, Public Law 102-368 provided for an additional amount of \$231.7 million in FY 1992 for BRAC II to be available solely for environmental restoration to remain available until expended. Of this amount, \$69.0 million was transferred from the "Environmental Restoration, Defense Account" of Public Law 102-172.

B. Budget Justification Requirements

The Defense Authorization Amendments and Base Closure and Realignment Act, Public Law 100-526, is specific in the types of information required as to budget justification. The Act states, "As part of each annual budget request for the

Department of Defense, the Secretary shall transmit to the appropriate committees of Congress:

(1) a schedule of the closure and realignment actions to be carried out under this title in the fiscal year for which the request is made and an estimate of the total expenditures required and cost savings to be achieved by each such closure and realignment and of the time period in which these savings are to be achieved in each case, together with the Secretary's assessment of the environmental effects of such actions; and

(2) a description of the military installations, including those under construction and those planned for construction, to which functions are to be transferred as a result of such closures and realignments, together with the Secretary's assessment of the environmental effects of such transfers."

The FY 1995 budget justification material for funds requested in BRAC-I and BRAC-II has been developed to comply with the above requirements. Each DoD Component has prepared justification books that provide information by realignment and closure package, broken out by one-time implementation costs, anticipated revenues from land sales, and expected savings. This comprehensive approach addresses the total financial impact of realignment and closure actions and provides justification for the funds requested in both Base Closure Accounts to cover one-time costs.

In addition to the program packages reflecting the implementation of the Commissions' recommendations, each DoD Component's justification books includes a package entitled "Program Management", which includes cost and savings data applicable to the overall effort.

C. DoD Base Closure Account Capitalization and Funding

The Department has relied upon guidance contained in House of Representatives Report 101-76, Military Construction Appropriations Bill, 1990, July 26, 1989, to determine the proper method of capitalizing the DoD Base Closure Accounts. In denying general transfer authority to the Secretary of Defense, the Committee expressed the belief that the necessary one-time costs to implement base realignments and closures be requested as new appropriated amounts to facilitate improved accounting of the funds appropriated. Additionally, the Committee indicated that any savings or cost avoidance due to base realignment or closure should be reflected through reduced requirements in the annual budget requests for the affected appropriations.

The manner in which the impacts of base realignments and closures have been reflected in Departmental appropriations accounts is consistent with this language. The new appropriations requested in the DoD Base Closure Accounts

represent the one-time costs of implementation with the exception of the Homeowners Assistance Fund. The treatment of values due to announced realignments and closures is explained in greater detail in Section III. Since the FY 1991 budget request, parcels of land have been transferred, without compensation to the Department, thereby reducing projected offsetting receipts. Section IV provides examples of the transfers which have taken place.

The implementation of base realignments and closures require the relocation of units and activities from one site to another. Recurring savings (reduced base operations costs) are realized through the increased efficiencies inherent in the consolidation of functions on fewer bases. The net savings are reflected as savings in the specific appropriations, primarily operation and maintenance, and are not incorporated in the DoD Base Closure Accounts. As indicated previously, funds requested in the Base Closure Accounts represent only the one-time implementation costs of realignments and closure.

Estimates for savings or costs avoidances have been incorporated into the DoD Component appropriation accounts where they are to be realized, resulting in correspondingly reduced budget requests for those appropriations in FY 1995 and future years.

D. Financial Management Procedures

The Defense Authorization Amendments and Base Closure and Realignment Act, Public Law 100-526, established the DoD Base Closure Account (BRAC-I) as a mechanism to provide the required funding to implement the Base Realignment and Closure Commission's recommendations. Public Law 101-510, Title XXIX, Defense Base Closure and Realignment Act of 1990, established Base Closure Account 1990 (BRAC-II). From aspects of management, budgeting and accounting, both Accounts are treated in the same fashion. Funding approved by Congress in both Accounts is appropriated and authorized in a lump sum amount and may be spent for construction, planning and design, civilian servence pay, civilian PCS, transportation of things, and other costs related to the realignment or closure of the subject bases. The management structure of the program is briefly described below.

1. Program Management - The Deputy Assistance Secretary of Defense (Economic Security) and other Offices of the Secretary of Defense staff elements have issued policy for management of this program and will oversee the DoD Components' execution of the program.
2. Development of an Account Structure - To properly account for and manage appropriated fund resources, the DoD Base Closure Accounts were established on the books of the Treasury to aid the DoD Components in the closure and realignment of

certain military installations. Treasury has assigned account symbol 97-0103 to identify the DoD Base Closure Account - Part I and 97-0510 to identify DoD Base Closure Account 1990- Part II and Part III.

The DoD Components subdivide their allocations and distribute the funds to the activities responsible for base closure actions. Separate allocations are made for each of the Accounts. Each DoD Component distributes the base closure funds in accordance with its normal fund distribution procedures. The applicable reporting requirements include:

- Military Construction
 - Construction
 - Planning and Design
- Family Housing
 - Construction
 - Operations
- Environmental
- Homeowners Assistance
- Operation and Maintenance (O&M)
 - Civilian Severance Pay
 - Civilian PCS
 - Transportation of Things
 - Real Property Maintenance
 - Program Management (civilian workyears, TDY travel, and related support dedicated to implementation efforts)
- Military Personnel (limited to PCS expenses dedicated to implementation efforts)
- Other (including Procurement-type Items)

3. Financial Management and Budget Execution - The Comptroller of the Department of Defense makes funds available to the DoD Components based on their official financial plans. Financial plans are prepared by the DoD Components in cooperation with and at the direction of the program manager, the Deputy Assistant Secretary of Defense (Economic Security). The DoD Component's financial plans and the subsequent allocation of funds are supported by the detailed, line-item military and family housing construction justification. Separate narrative explanations for other planned expenditures are also submitted to the Department of Defense Comptroller in sufficient detail to support the DoD Component financial plan. The DoD Components are allowed to rephase planned execution as the situation dictates but must notify the Deputy Assistant Secretary of Defense (Economic Security) and Department of Defense (DoD) Comptroller of all changes. To keep the DoD Comptroller apprised of these changes, the DoD Components are required to submit a revised current year financial plan and supporting documentation on a quarterly basis to reflect the status of the current plan being executed. When a military construction or family housing construction project is to be executed, but does not appear on the current approved five-year financial plan, the prior approval of the DoD Comptroller is required.

This will ensure that the Department has complied with the notification requirements of House of Representatives Report 101-176, Military Construction Appropriations Bill, July 26, 1989, prior to the expenditure of DoD Base Closure Account funds. Each DoD Component is allocated funds based upon its official budget justification and financial plan.

4. Decision Rule for Determining the Validity of Charging Costs to the DoD Base Closure Accounts - In addition to being supported by the detailed budget justification, the general criterion to be applied when deciding whether to charge specific costs to the DoD Base Closure Account is that the cost in question is a one-time implementation cost associated with the overall base closure effort. If the increased cost is a recurring one driven by the transfer of work load from one location to another, it is documented to the extent practicable, but budgeted for and charged to the applicable DoD Component appropriation. Legitimate one-time costs of base closure implementation are charged to the DoD Base Closure Accounts consistent with the cost category under which the item has been justified in the President's budget. For example, the one-time operation and maintenance-type costs at R&D-funded installations are charged to the appropriate subaccount of "Operation and Maintenance." Low-dollar value construction projects budgeted as lump sum under the real property maintenance category are charged to that subaccount and not the construction subaccount of military construction, which is reserved for projects listed individually on the financial plan accompanying the fund allocation document.

II. Budget Summary

The following tables provide information by DoD Component and Account for the one-time implementation costs, revenues from land sales, and expected savings. Experience in implementing the recommendations of the 1988 Commission, funded by BRAC-I, has shown that the costs of environmental studies and subsequent restorations have risen while the appraised value of land has dropped due to more accurate data and current market conditions. Additionally, the recommendations of the 1991 Commission changed some of the actions necessary to implement the recommendations of the 1988 Commission. For example, the construction program at Fort Devens, Massachusetts, based on the proposed relocation of Headquarters, Information Systems Command from Fort Huachuca, Arizona, is no longer required due to the closure of Fort Devens. Funds no longer required for this purpose have been used to fund the increasing costs of environmental cleanup and to offset the loss of land revenue.

Base Realignment and Closure Account - Part I
Cost and Savings by Fiscal Year
(Dollars in Millions)

<u>ARMY</u>	<u>1990</u>	<u>1991</u>	<u>1992</u>	<u>1993</u>	<u>1994</u>	<u>1995</u>	<u>TOTAL</u> <u>1990-1995</u>
One-Time Implementation Costs:							
Military Construction	121.2	152.4	193.3	136.8	12.8	-	616.5
Family Housing - Construction	-	-	-	-	-	-	-
- Operations	-	.1	.6	.1	-	-	.8
Environmental	-	108.5	121.7	80.8	-	66.8	377.8
Operations & Maintenance	33.5	130.5	50.5	78.4	18.0	20.8	331.7
Military Personnel - PCS	-	-	-	-	-	-	-
Other	12.1	8.9	7.5	15.6	-	-	44.1
Total One-Time Costs	166.8	400.4	373.6	311.7	30.8	87.6	1,370.9
Estimated Land Revenues	-	(3.9)	(1.9)	(58.9)	(18.0)	(174.8*)	(82.7)
Budget Request	166.8	396.5	371.7	252.8	12.8	87.6	1,288.2
Funded Outside of the Account:							
Environmental	16.7	-	-	-	-	-	16.7
Operation and Maintenance	-	-	1.9	1.5	20.2	-	23.6
Homeowners	0.1	0.1	-	-	-	-	0.2
Total Outside of the Account	16.8	0.1	1.9	1.5	20.2	-	40.5
Savings:							
Military Construction	9.2	15.3	19.3	19.4	19.4	19.4	102.0
Family Housing - Construction	-	-	-	-	-	-	-
- Operations	-	15.0	17.3	18.7	44.3	40.1	135.4
Operations & Maintenance	1.5	3.6	4.3	20.7	89.3	122.4	241.8
Military Personnel	(0.5)	0.9	15.4	61.0	87.3	77.7	241.8
Other	-	-	-	-	-	-	-
Total Savings	10.2	34.8	56.3	119.8	240.3	259.6	721.0
Net Implementation Costs							
Less Estimated Land Revenues:	173.4	361.8	317.3	134.5	(207.3)	(172.0)	607.7

*Transfer of FY 1995 BRAC I anticipated land sale receipts to BRAC II.

Base Realignment and Closure Account - Part I
Cost and Savings by Fiscal Year
(Dollars in Millions)

<u>NAVY</u>	<u>1990</u>	<u>1991</u>	<u>1992</u>	<u>1993</u>	<u>1994</u>	<u>1995</u>	<u>TOTAL</u> <u>1990-1995</u>
One-Time Implementation Costs:							
Military Construction	76.6	54.9	7.4	66.6	-	-	205.5
Family Housing - Construction	-	-	-	-	-	-	-
- Operations	-	-	-	-	-	-	-
Environmental	-	11.8	20.4	16.0	-	-	48.2
Operations & Maintenance	2.1	3.6	8.4	14.3	-	-	28.4
Military Personnel - PCS	0.3	-	-	0.1	-	-	0.4
Other	1.7	0.2	0.2	-	-	-	2.1
Total One-Time Costs	80.7	70.5	36.4	97.0	-	-	284.6
Estimated Land Revenues	-	-	-	-	-	-	-
Budget Request	80.7	70.5	36.4	97.0	-	-	284.6
Funded Outside of the Account:							
Environmental	-	-	-	-	-	-	-
Operations & Maintenance	-	-	-	-	-	-	-
Homeowners	-	-	-	-	-	-	-
Total outside of the Account	-	-	-	-	-	-	-
Savings:							
Military Construction	7.6	-	38.9	38.9	38.9	38.9	163.2
Family Housing - Construction	-	-	-	-	-	-	-
- Operations	-	-	-	-	-	-	-
Operations & Maintenance	-	26.0	38.0	22.7	32.6	32.2	151.5
Military Personnel	-	-	-	4.0	9.7	6.1	19.8
Other	-	-	-	-	-	-	-
Total Savings	7.6	26.0	76.9	65.6	81.2	77.2	334.5
Net Implementation Costs							
Less Estimated Land Revenues:	73.1	44.5	(40.5)	31.4	(81.2)	(77.2)	(49.9)

Base Realignment and Closure Account - Part I
Cost and Savings by Fiscal Year
(Dollars in Millions)

<u>AIR FORCE</u>	<u>1990</u>	<u>1991</u>	<u>1992</u>	<u>1993</u>	<u>1994</u>	<u>1995</u>	<u>TOTAL</u> <u>1990-1995</u>
One-Time Implementation Costs:							
Military Construction	140.2	265.8	25.7	7.2	-	-	438.9
Family Housing - Construction	-	-	0.3	-	-	-	0.3
- Operations	-	-	-	-	-	-	-
Environmental	-	183.5	132.6	37.7	-	-	353.8
Operations & Maintenance	76.0	52.4	80.9	14.2	-	-	223.5
Military Personnel - PCS	2.3	12.4	10.7	6.8	-	-	32.2
Other	3.0	4.0	0.4	-	-	-	7.4
Total One-Time Costs	221.5	518.1	250.6	65.9	-	-	1,056.1
Estimated Land Revenues	-	-	-	-	-	-	-
Budget Request	221.5	518.1	250.6	65.9	-	-	1,056.1
Funded Outside of the Account:							
Environmental	21.3	-	-	-	-	-	21.3
Operations & Maintenance	-	-	-	-	-	-	-
Homeowners Assistance Program	-	-	-	10.4	2.1	0.8	13.3
Total Outside of the Account	21.3	-	-	10.4	2.1	0.8	34.6
Savings:							
Military Construction	-	1.6	50.3	50.3	50.3	50.3	202.8
Family Housing - Construction	12.6	16.9	8.5	9.7	11.3	3.5	62.5
- Operations	-	-	4.8	4.8	18.1	23.8	51.5
Operations & Maintenance	5.0	18.8	38.3	77.1	149.9	157.8	446.9
Military Personnel	-	24.5	61.6	126.8	208.6	224.5	646.0
Other	0.4	0.5	0.5	0.7	0.9	0.5	3.5
Total Savings	18.0	62.3	164.0	269.4	439.1	460.4	1,413.2
Net Implementation Costs							
Less Estimated Land Revenues:	224.8	455.8	86.6	(193.1)	(437.0)	(459.6)	(322.5)

Base Realignment and Closure Account - Part I
Cost and Savings by Fiscal Year
(Dollars in Millions)

<u>DOD-WIDE</u>	<u>1990</u>	<u>1991</u>	<u>1992</u>	<u>1993</u>	<u>1994</u>	<u>1995</u>	<u>TOTAL</u> <u>1990-1995</u>
One-Time Implementation Costs:							
Military Construction	338.0	473.1	226.4	210.6	12.8	-	1,260.9
Family Housing - Construction	-	-	0.3	-	-	-	0.3
- Operations	-	0.1	0.6	0.1	-	-	0.8
Environmental	-	303.8	274.6	134.6	-	66.8	779.8
Operations & Maintenance	111.6	186.5	139.9	106.8	18.0	20.8	583.6
Military Personnel - PCS	2.6	12.4	10.7	6.9	-	-	32.6
Other	16.8	13.1	8.1	15.6	-	-	53.6
Commission Expenses	-	13.0	-	-	-	-	13.0
Total One-Time Costs	469.0	1,002.0	660.6	474.6	30.8	87.6	2,724.6
Estimated Land Revenues	-	(3.9)	(1.9)	(58.9)	(18.0)	(174.8*)	(82.7)
Budget Request	469.0	998.1	658.7	415.7	12.8	87.6	2,641.9
Funded Outside of the Account:							
Environmental	38.0	-	-	-	-	-	38.0
Operation and Maintenance	-	-	1.9	1.5	20.2	-	23.6
Homeowners Assistance Program	31.1	0.1	-	10.4	2.1	0.8	44.5
Total Outside of the Account	69.1	0.1	1.9	11.9	22.3	0.8	106.1
Savings:							
Military Construction	16.8	16.9	108.5	108.6	108.6	108.6	468.0
Family Housing - Construction	12.6	16.9	8.5	9.7	11.3	3.5	62.5
- Operations	-	15.0	22.1	23.5	62.4	63.9	186.9
Operations & Maintenance	6.5	48.4	80.6	120.5	271.8	312.4	840.2
Military Personnel	(0.5)	25.4	77.0	191.8	305.6	308.3	907.6
Other	0.4	0.5	0.5	0.7	0.9	0.5	3.5
Total Savings	35.8	123.1	297.2	454.8	760.6	797.2	2,468.7
Net Implementation Costs							
Less Estimated Land Revenues:	502.3	875.1	363.4	(27.2)	(725.5)	(708.8)	279.3

*Transfer of FY 1995 BRAC I anticipated land sale receipts to BRAC II.

Base Realignment and Closure Account - Part II
Cost and Savings by Fiscal Year
(Dollars in Millions)

<u>ARMY</u>	<u>1992</u>	<u>1993</u>	<u>1994</u>	<u>1995</u>	<u>1996</u>	<u>1997</u>	<u>TOTAL</u> <u>1992-1997</u>
One-Time Implementation Costs:							
Military Construction	23.6	138.8	288.7	64.0	33.0	1.0	549.1
Family Housing - Construction	-	-	-	-	-	-	-
- Operations	-	1.0	1.9	0.6	0.3	-	3.8
Environmental	35.7	50.0	51.4	43.2	99.9	36.8	317.0
Operations & Maintenance	-	149.1	120.4	149.9	121.9	81.3	622.6
Military Personnel - PCS	-	-	-	-	-	-	-
Other	-	21.9	11.5	31.5	28.5	10.3	103.7
Total One-Time Costs	59.3	360.8	473.9	289.2	283.6	129.4	1,596.2
Estimated Land Revenues	-	-	-	(174.8*)	-	(206.0)	(380.8)
Budget Request	59.3	360.8	473.9	114.4	283.6	-	1,215.4
Funded Outside of the Account:							
Military Construction	7.5	-	-	-	-	-	7.5
Family Housing - Operations	-	0.2	-	-	-	-	0.2
Operations & Maintenance	44.7	10.3	-	-	-	-	55.0
Other	4.2	-	-	-	-	-	4.2
Homeowners Assistance Program	0.1	-	9.4	25.0	0.6	-	35.1
Total Outside of the Account	56.5	10.5	9.4	25.0	0.6	0.0	102.0
Savings:							
Military Construction	-	-	-	-	-	-	-
Family Housing - Construction	-	-	-	-	-	-	-
- Operations	-	-	-	-	-	2.1	2.1
Operations & Maintenance	55.1	105.5	198.9	241.3	276.6	301.7	1,179.1
Military Personnel	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-
Total Savings	55.1	105.5	198.9	241.3	276.6	303.8	1,181.2
Net Implementation Costs							
Less Estimated Land Revenues:	60.7	265.8	284.4	(101.9)	7.6	(380.4)	136.2

*Transfer of FY 1995 BRAC I anticipated land sale receipts to BRAC II.

Base Realignment and Closure Account - Part II
Cost and Savings by Fiscal Year
(Dollars in Millions)

<u>NAVY</u>	<u>1992</u>	<u>1993</u>	<u>1994</u>	<u>1995</u>	<u>1996</u>	<u>1997</u>	<u>TOTAL</u> <u>1992-1997</u>
One-Time Implementation Costs:							
Military Construction	19.4	141.4	304.0	31.8	40.3	-	536.9
Family Housing - Construction	-	-	-	-	-	-	-
- Operations	-	0.5	-	-	-	-	0.5
Environmental	48.1	88.9	148.7	95.5	102.3	62.8	546.3
Operations & Maintenance	0.3	106.6	185.4	146.2	241.4	43.6	723.5
Military Personnel - PCS	-	4.7	6.4	0.3	0.2	0.4	12.0
Other	-	9.9	18.6	10.5	3.4	0.1	42.5
Total One-Time Costs	67.8	352.0	663.1	284.3	387.6	106.9	1,861.7
Estimated Land Revenues	-	-	-	-	(15.8)	(734.1)	(749.9)
Budget Request	67.8	352.0	663.1	284.3	371.8	-	1,111.8
Funded Outside of the Account:							
Military Construction	5.9	-	-	-	-	-	5.9
Family Housing - Operations	0.8	-	-	-	-	-	0.8
Operations & Maintenance	25.7	-	-	-	-	-	25.7
Military Personnel	0.2	-	-	-	-	-	0.2
Other	8.1	4.9	-	-	-	-	13.0
Total Outside of the Account	40.7	4.9	0.0	0.0	0.0	0.0	45.6
Savings:							
Military Construction	13.9	-	13.6	6.3	3.8	-	37.6
Family Housing - Construction	51.1	-	-	-	-	-	51.1
- Operations	0.8	1.8	1.6	4.5	4.0	3.5	16.2
Operations & Maintenance	12.7	18.3	136.0	233.8	260.7	263.6	925.1
Military Personnel	1.6	18.5	50.0	81.9	123.2	152.0	427.2
Other	19.3	97.7	100.8	163.9	172.7	155.1	709.5
Total Savings	99.4	136.3	302.0	490.4	564.4	574.2	2,166.7
Net Implementation Costs							
Less Estimated Land Revenues:	9.1	220.6	361.1	(206.1)	(192.6)	(1,201.4)	(1,009.3)

Base Realignment and Closure Account - Part II
Cost and Savings by Fiscal Year
(Dollars in Millions)

<u>AIR FORCE</u>	<u>1992</u>	<u>1993</u>	<u>1994</u>	<u>1995</u>	<u>1996</u>	<u>1997</u>	<u>TOTAL</u> <u>1992-1997</u>
One-Time Implementation Costs:							
Military Construction	22.4	456.4	45.0	32.5	-	-	556.3
Family Housing - Construction	-	-	2.1	23.1	-	-	25.2
- Operations	-	-	-	-	-	-	-
Environmental	181.8	212.4	112.9	-	57.8	24.2	589.1
Operations & Maintenance	0.3	217.1	231.4	27.1	-	-	475.9
Military Personnel - PCS	-	16.8	16.9	-	-	-	33.7
Other	0.1	3.1	3.4	-	-	-	6.6
Financed from Prior Year	-	-	(22.4)	(82.7)	-	-	(105.1)
Total One-Time Costs	204.6	905.8	389.3	-	57.8	24.2	1,581.7
Estimated Land Revenues	-	-	-	-	-	-	-
Budget Request	204.6	905.8	389.3	-	57.8	24.2	1,581.7
Funded Outside of the Account:							
Military Construction	9.8	-	-	-	-	-	9.8
Family Housing - Operations	-	-	-	-	-	-	-
Operations & Maintenance	48.6	-	-	-	-	-	48.6
Other	-	-	-	-	-	-	-
Homeowners	-	58.0	48.4	37.6	12.4	1.2	157.6
Total Outside of the Account	58.4	58.0	48.4	37.6	12.4	1.2	216.0
Savings:							
Military Construction	114.5	12.4	19.0	21.5	22.2	23.0	212.6
Family Housing - Construction	-	-	-	-	-	-	-
- Operations	-	21.9	37.3	42.4	43.8	45.3	190.7
Operations & Maintenance	-	(3.1)	117.1	151.8	162.0	168.1	595.9
Military Personnel	-	152.3	359.9	451.3	487.8	507.2	1,958.5
Other	-	-	-	-	-	-	-
Total Savings	114.5	183.5	533.3	667.0	715.8	743.6	2,957.7
Net Implementation Costs							
Less Estimated Land Revenues:	148.5	780.3	(95.6)	(629.4)	(645.6)	(718.2)	(1,160.0)

Base Realignment and Closure Account - Part II
Cost and Savings by Fiscal Year
(Dollars in Millions)

<u>DOD-WIDE</u>	<u>1992</u>	<u>1993</u>	<u>1994</u>	<u>1995</u>	<u>1996</u>	<u>1997</u>	<u>TOTAL</u> <u>1992-1997</u>
One-Time Implementation Costs:							
Military Construction	65.4	736.6	637.7	128.3	73.3	1.0	1,642.3
Family Housing - Construction	-	-	2.0	23.1	-	-	25.1
- Operations	-	1.5	2.0	0.6	0.3	-	4.4
Environmental	265.6	351.3	313.0	138.7	260.0	123.8	1,452.4
Operations & Maintenance	0.6	472.7	537.2	323.2	363.3	124.9	1,821.9
Military Personnel - PCS	-	21.6	23.3	0.3	0.2	0.4	45.8
Other	0.1	34.9	33.5	42.0	31.9	10.4	152.8
Financed from Prior Year	-	-	(22.4)	(82.7)	-	-	(105.1)
Total One-Time Costs	331.7	1,618.6	1,526.3	573.5	729.0	260.5	5,039.6
Estimated Land Revenues	-	-	-	(174.8*)	(15.8)	(940.1)	(1,130.7)
Budget Request	331.7	1,618.6	1,526.3	398.7	713.2	-	3,908.9
Funded Outside of the Account:							
Military Construction	23.2	-	-	-	-	-	23.2
Family Housing - Operations	0.8	0.2	-	-	-	-	1.0
Operations & Maintenance	119.0	10.3	-	-	-	-	129.3
Military Personnel	0.2	-	-	-	-	-	0.2
Other	12.2	4.9	-	-	-	-	17.1
Homeowners Assistance Program	0.2	58.0	57.8	62.6	13.0	1.2	192.8
Total Outside of the Account	155.6	73.4	57.8	62.6	13.0	1.2	363.6
Savings:							
Military Construction	128.4	12.4	32.6	27.8	26.0	23.0	250.2
Family Housing - Construction	51.1	-	-	-	-	-	51.1
- Operations	0.8	23.7	38.9	46.9	47.8	50.9	209.0
Operations & Maintenance	67.8	120.7	452.0	626.9	699.3	733.4	2,700.1
Military Personnel	1.6	170.8	409.9	533.2	611.0	659.2	2,385.7
Other	19.3	97.7	100.8	163.9	172.7	155.1	709.5
Total Savings	269.0	425.3	1,034.2	1,398.7	1,556.8	1,621.6	6,305.6
Net Implementation Costs							
Less Estimated Land Revenues:	218.3	1,266.7	549.9	(937.4)	(830.6)	(2,300.0)	(2,033.1)

*Transfer of FY 1995 BRAC I anticipated land sale receipts to BRAC II.

Base Realignment and Closure Account - Part III
Cost and Savings by Fiscal Year
(Dollars in Millions)

ARMY

One-Time Implementation Costs:

Military Construction	11.2	70.8	2.9	-	-	-	84.9
Family Housing - Construction	1.0	-	-	-	-	-	-
- Operations	3.8	11.3	.2	-	-	-	1.2
Environmental	15.6	20.6	27.2	26.6	11.3	-	80.2
Operations & Maintenance	-	83.2	-	-	12.0	-	131.4
Military Personnel - PCS	3.4	11.1	10.0	-	-	-	-
Other	-	-	-	-	-	-	24.5
Total One-Time Costs	35.0	113.8	123.5	26.6	23.3	-	322.2
Estimated Land Revenues	-	-	-	-	-	-	-
Budget Request	35.0	113.8	123.5	26.6	23.3	-	322.2

Funded Outside of the Account:

Military Construction	-	-	-	-	-	-	-
Family Housing - Operations	-	-	-	-	-	-	-
Operations & Maintenance	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-
Homeowners Assistance Program	-	-	-	-	-	-	-
Total Outside of the Account	-	-	-	-	-	-	-

Savings:

Military Construction	12.8	-	-	-	-	-	12.8
Family Housing - Construction	-	-	-	-	-	-	-
- Operations	(1.3)	(5.3)	(5.4)	(5.5)	(5.3)	(4.1)	(26.9)
Operations & Maintenance	(0.6)	3.7	11.9	39.6	51.3	56.0	161.9
Military Personnel	-	-	-	-	-	-	-
Other	-	-	0.4	0.8	0.9	1.5	3.6
Total Savings	10.9	(1.6)	6.9	34.9	46.9	53.4	151.4

Net Implementation Costs

Less Estimated Land Revenues:	24.1	115.4	116.6	(8.3)	(23.6)	(53.4)	170.8
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Base Realignment and Closure Account - Part III
Cost and Savings by Fiscal Year
(Dollars in Millions)

NAVY

One-Time Implementation Costs:

	<u>1994</u>	<u>1995</u>	<u>1996</u>	<u>1997</u>	<u>1998</u>	<u>1999</u>	<u>TOTAL</u> <u>1994-1999</u>
Military Construction	211.1	961.2	1,202.9	83.5	55.6	-	2,514.3
Family Housing - Construction	-	88.4	136.8	42.5	54.4	-	322.1
- Operations	-	-	-	-	-	-	-
Environmental	237.7	178.7	173.5	77.3	85.5	73.4	826.1
Operations & Maintenance	292.2	561.7	591.6	314.2	143.9	60.7	1,964.3
Military Personnel - PCS	10.7	24.4	19.4	19.3	2.0	-	75.8
Other	37.3	12.9	3.9	0.3	1.7	-	56.1
Total One-Time Costs	789.0	1,827.3	2,128.1	537.1	343.1	134.1	5,758.7
Estimated Land Revenues	-	-	(28.0)	(483.0)	-	(67.6)	(578.6)
Budget Request	789.0	1,827.3	2,100.1	54.1	343.1	66.5	5,180.1

Funded Outside of the Account:

Military Construction	-	-	-	-	-	-	-
Family Housing - Operations	-	-	-	-	-	-	-
Operations & Maintenance	-	-	-	-	-	-	-
Military Personnel	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-
Total Outside of the Account	-	-	-	-	-	-	-

Savings:

Military Construction	38.5	29.6	75.0	39.1	13.9	20.6	216.7
Family Housing - Construction	7.4	-	11.6	-	-	37.1	56.1
- Operations	0.8	7.5	15.5	29.8	49.6	49.0	152.2
Operations & Maintenance	41.9	96.3	372.9	594.8	699.2	763.0	2,568.1
Military Personnel	6.5	55.7	96.8	190.9	281.1	315.9	946.9
Other	2.9	15.1	120.2	186.0	201.7	205.7	731.6
Total Savings	98.0	204.2	692.0	1,040.6	1,245.5	1,391.3	4,671.6

Net Implementation Costs

Less Estimated Land Revenues:	691.0	1,623.1	1,408.1	(986.5)	(902.4)	(1,324.8)	508.5
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Base Realignment and Closure Account - Part III
Cost and Savings by Fiscal Year
(Dollars in Millions)

<u>AIR FORCE</u>	<u>1994</u>	<u>1995</u>	<u>1996</u>	<u>1997</u>	<u>1998</u>	<u>1999</u>	<u>TOTAL</u> <u>1994-1999</u>
One-Time Implementation Costs:							
Military Construction	110.8	113.1	19.7	-	-	-	243.6
Family Housing - Construction	58.8	54.5	-	-	-	-	113.3
- Operations	-	-	-	-	-	-	-
Environmental	62.3	107.4	49.7	25.6	283.8	311.4	840.2
Operations & Maintenance	66.1	101.0	150.4	279.7	14.8	9.7	621.7
Military Personnel - PCS	3.3	-	7.9	-	-	-	11.2
Other	0.3	-	1.1	-	-	-	1.4
Financed from Prior Year	(98.6)	(268.6)	-	-	-	-	(367.2)
Total One-Time Costs	203.0	107.4	228.8	305.3	298.6	321.1	1,464.2
Estimated Land Revenues	-	-	-	-	-	-	-
Budget Request	203.0	107.4	228.8	305.3	298.6	321.1	1,464.2
Funded Outside of the Account:							
Military Construction	-	-	-	-	-	-	-
Family Housing - Operations	-	-	-	-	-	-	-
Operations & Maintenance	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-
Total Outside of the Account	-	-	-	-	-	-	-
Savings:							
Military Construction	3.9	14.9	5.9	26.4	12.6	25.4	89.1
Family Housing - Construction	-	-	-	-	-	-	-
- Operations	-	-	-	-	-	-	-
Operations & Maintenance	-	-	-	-	-	-	-
Military Personnel	-	24.8	113.4	153.4	156.6	160.1	608.3
Other	8.6	19.6	59.8	99.5	111.4	113.9	412.8
Total Savings	12.5	59.3	179.1	279.3	280.6	299.4	1,110.2
Net Implementation Costs							
Less Estimated Land Revenues:	190.5	48.1	49.7	26.0	18.0	21.7	354.0

Base Realignment and Closure Account - Part III
Cost and Savings by Fiscal Year
(Dollars in Millions)

450

<u>DLA</u>	<u>1994</u>	<u>1995</u>	<u>1996</u>	<u>1997</u>	<u>1998</u>	<u>1999</u>	<u>TOTAL</u> <u>1994-1999</u>
One-Time Implementation Costs:							
Military Construction	-	58.6	17.4	-	-	-	76.0
Family Housing - Construction	-	-	-	-	-	-	-
- Operations	-	-	-	-	-	-	-
Environmental	0.5	3.7	1.1	0.9	0.6	0.6	7.4
Operations & Maintenance	37.3	37.3	26.0	69.4	28.2	0.6	198.8
Military Personnel - PCS	-	-	-	-	-	-	-
Other	0.2	0.2	2.4	6.9	0.3	-	10.0
Total One-Time Costs	38.0	99.8	46.9	77.2	29.1	1.2	292.2
Estimated Land Revenues	-	-	-	-	-	-	-
Budget Request	38.0	99.8	46.9	77.2	29.1	1.2	292.2
Funded Outside of the Account:							
Military Construction	-	-	-	-	-	-	-
Family Housing - Operations	-	-	-	-	-	-	-
Operations & Maintenance	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-
Total Outside of the Account	-	-	-	-	-	-	-
Savings:							
Military Construction	8.0	-	-	-	-	-	8.0
Family Housing - Construction	-	-	-	-	-	-	-
- Operations	-	-	-	0.1	-	-	0.1
Operations & Maintenance	5.9	38.0	38.9	101.3	109.7	112.3	406.1
Military Personnel	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-
Total Savings	13.9	38.0	38.9	101.4	109.7	112.3	414.2
Net Implementation Costs							
Less Estimated Land Revenues:	24.1	61.8	8.0	(24.2)	(80.6)	(111.1)	(122.0)

Base Realignment and Closure Account - Part III
Cost and Savings by Fiscal Year
(Dollars in Millions)

<u>DISA</u>	<u>1994</u>	<u>1995</u>	<u>1996</u>	<u>1997</u>	<u>1998</u>	<u>1999</u>	<u>TOTAL</u> <u>1994-1999</u>
One-Time Implementation Costs:							
Military Construction	-	-	-	-	-	-	-
Family Housing - Construction	-	-	-	-	-	-	-
Family Housing - Operations	-	-	-	-	-	-	-
Environmental	0.4	1.6	-	-	-	-	2.0
Operations & Maintenance	4.4	37.5	15.7	9.2	1.1	-	67.9
Military Personnel - PCS	0.1	1.8	1.5	-	-	-	3.4
Other	74.1	133.7	103.9	29.4	3.0	-	344.1
Total One-Time Costs	79.0	174.6	121.1	38.6	4.1	-	417.4
Estimated Land Revenues	-	-	-	-	-	-	-
Budget Request	79.0	174.6	121.1	38.6	4.1	-	417.4
Funded Outside of the Account:							
Military Construction	-	-	-	-	-	-	-
Family Housing - Operations	-	-	-	-	-	-	-
Operations & Maintenance	-	0.5	0.7	0.8	0.8	0.8	3.6
Other	1.3	15.2	30.7	36.1	38.0	38.6	159.9
Total Outside of the Account	1.3	15.7	31.4	36.9	38.8	39.4	163.5
Savings:							
Military Construction	-	-	-	-	-	-	-
Family Housing - Construction	-	-	-	-	-	-	-
Family Housing - Operations	-	-	-	-	-	-	-
Operations & Maintenance	-	33.9	78.7	109.8	128.4	134.3	485.1
Military Personnel	0.4	7.5	19.2	25.1	26.2	27.3	105.7
Other	1.7	41.0	83.1	107.7	119.8	126.0	479.3
Total Savings	2.1	82.4	181.0	242.6	274.4	287.6	1,070.1
Net Implementation Costs							
Less Estimated Land Revenues:	78.2	107.9	(28.5)	(167.1)	(231.5)	(248.2)	(489.2)

Base Realignment and Closure Account - Part III
Cost and Savings by Fiscal Year
(Dollars in Millions)

DOD-WIDE

	<u>1994</u>	<u>1995</u>	<u>1996</u>	<u>1997</u>	<u>1998</u>	<u>1999</u>	<u>TOTAL</u> <u>1994-1999</u>
One-Time Implementation Costs:							
Military Construction	333.1	1,203.7	1,242.9	83.5	55.6	-	2,918.8
Family Housing - Construction	58.8	142.9	136.8	42.5	54.4	-	435.4
- Operations	1.0	-	0.2	-	-	-	1.2
Environmental	304.7	302.7	251.5	130.4	381.2	385.4	1,755.9
Operations & Maintenance	415.6	758.1	866.9	672.5	200.0	71.0	2,984.1
Military Personnel - PCS	14.1	26.2	28.8	19.3	2.0	-	90.4
Other	115.3	157.9	121.3	36.6	5.0	-	436.1
Financed from Prior Year	(98.6)	(268.6)	-	-	-	-	(367.2)
Total One-Time Costs	1,144.0	2,322.9	2,648.4	984.8	698.2	456.4	8,254.7
Estimated Land Revenues	-	-	(28.0)	(483.0)	-	(67.6)	(578.6)
Budget Request	1,144.0	2,322.9	2,620.4	501.8	698.2	388.8	7,676.1
Funded Outside of the Account:							
Military Construction	-	-	-	-	-	-	-
Family Housing - Operations	-	-	-	-	-	-	-
Operations & Maintenance	-	0.5	0.7	0.8	0.8	0.8	3.6
Military Personnel	-	-	-	-	-	-	-
Other	1.3	15.2	30.7	36.1	38.0	38.6	159.9
Homeowners Assistance Program	-	-	-	-	-	-	-
Total Outside of the Account	1.3	15.7	31.4	36.9	38.8	39.4	163.5
Savings:							
Military Construction	63.2	44.5	80.9	65.5	26.5	46.0	326.6
Family Housing - Construction	7.4	-	11.6	-	-	37.1	56.1
- Operations	(0.5)	2.2	10.1	24.4	44.3	44.9	125.4
Operations & Maintenance	47.2	171.9	502.4	845.5	988.6	1,065.6	3,621.2
Military Personnel	6.9	88.0	229.4	369.4	463.9	503.3	1,660.9
Other	13.2	75.7	263.5	394.0	433.8	447.1	1,627.3
Total Savings	137.4	382.3	1,097.9	1,698.8	1,957.1	2,144.0	7,417.5
Net Implementation Costs							
Less Estimated Land Revenues:	1,007.9	1,956.3	1,553.9	(1,160.1)	(1,220.1)	(1,715.8)	422.1

III. Homeowners Assistance Program

The Homeowners Assistance Program (HAP) provides assistance to eligible service members and civilian employee homeowners who have suffered losses through the depression of the real estate market resulting from actual or pending base closures. Pursuant to Section 2832 of Title 10, United States Code, as amended by Section 2831 of Public Law 101-89, the National Defense Authorization Act for FY 1990 and FY 1991, the Secretary of Defense was granted authority to transfer up to \$31 million of funds appropriated in BRAC-I to HAP. Accordingly, the Department of Defense transferred \$31 million in FY 1990 to accommodate validated homeowners assistance requirements arising from implementation of the 1988 Commission's recommendations.

For FY 1992 thru FY 1995, the required homeowners assistance funding is programmed in the HAP account.

IV. Revenue from the Sale of Land and Facilities

In capitalizing the account, the additional appropriations to pay for the one-time costs of implementation have been offset by the amount of revenues that are anticipated due to the authorized sale of land no longer required by the Department. Since the FY 1991 budget request, parcels of land have been transferred, without compensation to the Department, thereby reducing projected offsetting receipts. The following tables show the revenues expected into the BRAC accounts and examples of no cost transfers of property outside of the Department.

BASE REALIGNMENT AND CLOSURE - PART I
Anticipated Land Revenue - Army
(Dollars in Thousands)

<u>Location</u>	<u>FY 1991</u>	<u>FY 1992</u>	<u>FY 1993</u>	<u>FY 1994</u>	<u>FY 1995</u>
Tacony Warehouse, Philadelphia, PA	-	-	-	1,750	-
Kapalama Military Reservation, HI	-	-	40,000	-	-
Pontiac Storage Facility, IN	-	-	4,700	-	-
Indiana AAP, IN	-	-	-	-	267
Fort Des Moines, IA	-	-	-	-	-
Lexington-Bluegrass AD, KY					
Lexington portion	-	-	-	-	11,000
Army Materials Technical Labs					
Massachusetts	-	-	-	-	13,911
Fort Mead, MD	-	-	-	505	-
USA Reserve Center Gaithersburg, MD	-	-	-	-	900
Fort Sheridan, IL	-	-	-	-	43,387
Cameron Station, VA	-	-	-	-	104,335
Defense Mapping Agency Herndon, VA	-	-	-	-	1,000
Stand-Alone Housing, Various Locations*	3,879	1,942	14,228	15,775	-
Total	3,879	1,942	58,928	18,030	174,800

***Note:**

FY 1991, \$ 3,879,000: 126 units at 2 installations
FY 1992, \$ 1,942,000: 66 units at 6 installations
FY 1993, \$14,228,000: 284 units at 19 installations
FY 1994, \$15,775,000: 338 units at 15 installations

BASE REALIGNMENT AND CLOSURE - PART I
Loss of Land Revenue - Army
(Dollars in Thousands)

<u>Location</u>	<u>FY 1992</u>	<u>FY 1993</u>	<u>FY 1994</u>	<u>FY 1995</u>
Fort Meade, MD	-	-	-	447,770
Fort Douglas, UT	-	-	-	7,400
Presidio of San Francisco, CA	-	-	-	42,986
Hamilton Army Airfield, CO	-	-		52,583
Wherry Housing Site St. Louis, MO				1,500
Stand-Alone Housing, Various Locations (4)	41,600	-	-	-
Cameron Station, VA	-	-	-	142,300
Other				17,900
Total	41,600	-	-	712,439

BASE REALIGNMENT AND CLOSURE - PART I
Loss of Land Revenue - Navy
(Dollars in Thousands)

<u>Location</u>	<u>FY 1992</u>	<u>FY 1993</u>	<u>FY 1994</u>	<u>FY 1995</u>
Naval Station New York (Brooklyn), NY	-	-	-	57,000
Naval Station Puget Sound (Sand Point), WA	-	-	-	60,000
Total	-	-	-	117,000

BASE REALIGNMENT AND CLOSURE - PART I
Loss of Land Revenue - Air Force
(Dollars in Thousands)

<u>Location</u>	<u>FY 1992</u>	<u>FY 1993</u>	<u>FY 1994</u>	<u>FY 1995</u>
George Air Force Base, CA	-	-	60,000	30,000
Mather Air Force Base, CA	-	-	160,000	145,000
Norton Air Force Base, CA	-	-	-	100,000
Chanute Air Force Base, IL	-	-	8,000	5,000
Pease Air Force Base, NH	-	120,000	-	-
Total	-	120,000	228,000	280,000

BASE REALIGNMENT AND CLOSURE - PART II
Anticipated Land Revenue - Army
(Dollars in Thousands)

<u>Location</u>	<u>FY 1994</u>	<u>FY 1995</u>	<u>FY 1996</u>	<u>FY 1997</u>
Fort Devens, MA	-	-	-	112,000
Fort Benjamin Harrison, IN	-	-	-	69,000
Harry Diamond Lab, Arlington, VA	-	-	-	-
Sacramento Depot, CA	-	-	-	25,000
Total	-	-	-	206,000

BASE REALIGNMENT AND CLOSURE - PART II
Loss of Land Revenue - Army
(Dollars in Thousands)

<u>Location</u>	<u>FY 1994</u>	<u>FY 1995</u>	<u>FY 1996</u>	<u>FY 1997</u>
Fort Dix*	-	-	-	83,000
Fort Ord	-	-	-	400,000
Harry Diamond Lab	-	-	-	30,000
Fort Benjamin Harrison	-	-	-	35,000
Total	-	-	-	548,000

*Note: The anticipated revenues from Fort Dix were reduced from \$83.0 million to zero. The basis of the reduction is the proposed utilization of Fort Dix by other federal and state agencies which precludes disposal of the anticipated excess land.

BASE REALIGNMENT AND CLOSURE - PART II
Anticipated Land Revenue - Navy
(Dollars in Thousands)

<u>Location</u>	<u>FY 1994</u>	<u>FY 1995</u>	<u>FY 1996</u>	<u>FY 1997</u>
NAS Chase Field, TX	-	-	-	575
NCBC Davisville, RI	-	-	-	22,000
NH Long Beach, CA	-	-	-	15,500
NAS Moffett Field, CA	-	-	-	4,000
NS Philadelphia, PA	-	-	-	20,000
NS Puget Sound (Sand Point, WA)	-	-	12,800	-
NCCOSC San Diego, CA	-	-	3,000	-
MCAS Tustin, CA	-	-	-	672,000
Total	-	-	15,800	734,075

BASE REALIGNMENT AND CLOSURE - PART II
Loss of Land Revenue - Navy
(Dollars in Thousands)

<u>Location</u>	<u>FY 1994</u>	<u>FY 1995</u>	<u>FY 1996</u>	<u>FY 1997</u>
NAS Chase Field, TX	-	-	-	1,425
NS Long Beach, CA	-	-	-	20,250
NAS Moffett Field, CA	-	200	-	-
Total	-	200	-	21,675

BASE REALIGNMENT AND CLOSURE - PART II
Loss of Land Revenue - Air Force
(Dollars in Thousands)

<u>Location</u>	<u>FY 1994</u>	<u>FY 1995</u>	<u>FY 1996</u>	<u>FY 1997</u>
Williams Air Force Base, AZ	-	8,000	-	-
Eaker Air Force Base, AR	-	8,000	-	-
Castle Air Force Base, CA	-	-	-	27,000
Lowry Air Force Base, CO	-	-	100,000	-
MacDill Air Force Base, FL	-	-	50,000	-
Grisson Air Force Base, IN	-	-	8,000	-
England Air Force Base, LA	-	-	-	-
Loring Air Force Base, ME	-	8,000	-	-
Wurtsmith Air Force Base, MI	-	-	8,000	-
Richards Gebaur Air Force Reserve Station, MO	-	-	-	-
Rickenbacker Air National Guard Base, OH	-	-	8,000	-
Myrtle Beach Air Force Base, SC	-	8,000	-	-
Bergstrom Air Force Base, TX	-	8,000	-	-
Carswell Air Force Base, TX	-	8,000	-	-
George Air Force Force Base, CA	-	-	-	-
Mather Air Force Base, CA	-	-	-	-
Chanute Air Force Base, IL	-	-	-	-
Total	-	48,000	174,000	27,000

BASE REALIGNMENT AND CLOSURE - PART III
 Anticipated Land Revenue - Navy
 (Dollars in Thousands)

<u>Location</u>	<u>FY 1994</u>	<u>FY 1995</u>	<u>FY 1996</u>	<u>FY 1997</u>	<u>FY 1998</u>	<u>FY 1999</u>
NS Mobile, AL	-	-	28,000	-	-	-
Various Locations	-	-	-	483,000	-	67,600
Total	-	-	28,000	483,000	-	67,600

Errata Sheet

The attached Summary Pages (six each), State Pages (four each), and Facility Pages (ten each) are provided to replace the corresponding pages in the Construction Programs (C-1), dated February 1994.

These pages correct the amounts for BASE RLMNT & CLOSURE ACCT PT III in FY 1994 and FY 1995.

In FY 1994 BRAC III is increased by \$117 Million, corrected from \$1,027 Million to \$1,144 Million.

In FY 1995 BRAC III is increased by \$274.4 Million, corrected from \$2,048.5 Million to \$2,322.9 Million.

**Office of the Comptroller
Department of Defense**

(465)

FY 1994 MILITARY CONSTRUCTION TOTAL OBLIGATIONAL AUTHORITY AS REQUESTED

	(\$ THOUSANDS)			DATA AS OF FEB 1994	
	ACTIVE FORCES				
	ARMY	NAVY	AIR FORCE	DEFWIDE	TOTAL
-----SUMMARY-----					
BY LOCATION:					
SPECIFIED LOCATIONS					
INSIDE THE UNITED STATES	764,035	536,810	928,389	411,232	2,640,466
AUTHORIZED IN PRIOR YEAR			(5,000)		(5,000)
OUTSIDE THE UNITED STATES	21,200	70,590	22,452	20,313	134,555
TOTAL SPECIFIED	785,235	607,400	950,841	431,545	2,775,021
AUTHORIZED IN PRIOR YEAR			(5,000)		(5,000)
UNSPECIFIED LOCATIONS	121,441	74,173	70,726	2,939,652	3,205,992
*** TOTAL BY LOCATION ***	906,676	681,573	1,021,567	3,371,197	5,981,013
AUTHORIZED IN PRIOR YEAR			(5,000)		(5,000)
BY PURPOSE:					
MAJOR CONSTRUCTION	785,235	611,700	950,841	493,945	2,841,721
AUTHORIZED IN PRIOR YEAR			(5,000)		(5,000)
MINOR CONSTRUCTION					
UNSPECIFIED	12,000	5,500	6,844	23,658	48,002
TOTAL MINOR CONSTR.	12,000	5,500	6,844	23,658	48,002
PLANNING AND DESIGN	109,441	64,373	63,882	44,405	282,101
NATO INFRASTRUCTURE				148,417	148,417
BASE RLNMT & CLOSURE ACCT PT I				77,830	77,830
BASE RLNMT & CLOSURE ACCT PT II				1,438,942	1,438,942
BASE RLNMT & CLOSURE ACCT PT III				1,144,000	1,144,000
*** TOTAL BY PURPOSE ***	906,676	681,573	1,021,567	3,371,197	5,981,013
AUTHORIZED IN PRIOR YEAR			(5,000)		(5,000)

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FISCAL YEAR 1994 MILITARY CONSTRUCTION AND FAMILY HOUSING

STATE-COUNTRY	SUMMARY BY STATE - COUNTRY (\$ THOUSANDS)		DATA AS OF FEB 1994	
	ACTIVE FORCES	GUARD AND RESERVE	FAMILY HOUSING	TOTAL
ANTIGUA	1,000			1,000
ASCENSION ISLAND	3,400			3,400
DIEGO GARCIA	11,818			11,818
GERMANY	3,100			3,100
GREENLAND	5,492			5,492
GUAM	52,720	1,973		54,693
ITALY	15,200			15,200
KWAJALEIN	21,200			21,200
PUERTO RICO		3,070		3,070
SPAIN	2,670			2,670
TURKEY	2,400			2,400
UNITED KINGDOM	4,800		15,470	20,270
OVERSEAS CLASSIFIED	10,755			10,755

**SPECIFIED OUTSIDE THE USA	134,555	5,043	15,470	155,068

WORLDWIDE UNSPECIFIED	3,201,692	46,757	3,187,493	6,435,942
WORLDWIDE VARIOUS	4,300	-4,353		-53

**UNSPECIFIED WORLDWIDE	3,205,992	42,404	3,187,493	6,435,889

***MILITARY CONSTRUCTION AUTHORIZED IN PRIOR YEAR	5,981,013 (5,000)	751,765	3,591,156	10,323,934 (5,000)

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FISCAL YEAR 1994 MILITARY CONSTRUCTION AND FAMILY HOUSING

STATE-COUNTRY	DEFENSEWIDE *** SUMMARY BY STATE - COUNTRY (\$ THOUSANDS) ACTIVE GUARD AND FORCES RESERVE	DATA AS OF FEB 1994 FAMILY HOUSING	TOTAL
DIEGO GARCIA	9,558		9,558
OVERSEAS CLASSIFIED	10,755		10,755
**SPECIFIED OUTSIDE THE USA	20,313		20,313
WORLDWIDE UNSPECIFIED	2,939,652	26,496	2,966,148
**UNSPECIFIED WORLDWIDE	2,939,652	26,496	2,966,148
***MILITARY CONSTRUCTION	3,371,197	26,496	3,397,693

FY 1995 MILITARY CONSTRUCTION TOTAL OBLIGATIONAL AUTHORITY AS REQUESTED

	(\$ THOUSANDS)			DATA AS OF FEB 1994	
	ACTIVE FORCES				
-----SUMMARY-----	ARMY	NAVY	AIR FORCE	DEFWIDE	TOTAL
BY LOCATION:					
SPECIFIED LOCATIONS					
INSIDE THE UNITED STATES	584,250	219,280	262,654	353,010	1,419,194
AUTHORIZED IN PRIOR YEAR			(4,000)	(261,000)	(265,000)
OUTSIDE THE UNITED STATES	6,400	50,810	38,273		95,483
TOTAL SPECIFIED	590,650	270,090	300,927	353,010	1,514,677
AUTHORIZED IN PRIOR YEAR			(4,000)	(261,000)	(265,000)
UNSPECIFIED LOCATIONS	99,926	50,380	56,386	3,341,677	3,548,369
*** TOTAL BY LOCATION ***	690,576	320,470	357,313	3,694,687	5,063,046
AUTHORIZED IN PRIOR YEAR			(4,000)	(261,000)	(265,000)
BY PURPOSE:					
MAJOR CONSTRUCTION	590,650	270,090	300,927	413,421	1,575,088
AUTHORIZED IN PRIOR YEAR			(4,000)	(261,000)	(265,000)
MINOR CONSTRUCTION					
UNSPECIFIED	12,000	7,000	7,000	22,348	48,348
TOTAL MINOR CONSTR.	12,000	7,000	7,000	22,348	48,348
PLANNING AND DESIGN	87,926	43,380	49,386	45,960	226,652
NATO INFRASTRUCTURE				229,000	229,000
BASE RLNMT & CLOSURE ACCT PT I				87,600	87,600
BASE RLNMT & CLOSURE ACCT PT II				573,500	573,500
BASE RLNMT & CLOSURE ACCT PT III				2,322,858	2,322,858
*** TOTAL BY PURPOSE ***	690,576	320,470	357,313	3,694,687	5,063,046
AUTHORIZED IN PRIOR YEAR			(4,000)	(261,000)	(265,000)

SUMMARY-37

FISCAL YEAR 1995 MILITARY CONSTRUCTION AND FAMILY HOUSING

STATE-COUNTRY	SUMMARY BY STATE - COUNTRY (\$ THOUSANDS)		DATA AS OF FEB 1994 FAMILY HOUSING	TOTAL
	ACTIVE FORCES	GUARD AND RESERVE		
BELGIUM			300	300
GERMANY	21,823			21,823
GREECE	3,050			3,050
GREENLAND	2,450			2,450
ITALY	42,210			42,210
KWAJALEIN	6,400			6,400
PORTUGAL	2,850			2,850
PUERTO RICO	1,650	1,340		2,990
UNITED KINGDOM	11,000			11,000
OVERSEAS CLASSIFIED	4,050			4,050
**SPECIFIED OUTSIDE THE USA	95,483	1,340	300	97,123
WORLDWIDE UNSPECIFIED	3,548,369	38,314	3,281,497	6,868,180
WORLDWIDE VARIOUS		1,679		1,679
**UNSPECIFIED WORLDWIDE	3,548,369	39,993	3,281,497	6,869,859
***MILITARY CONSTRUCTION (MEMO-NON-ADD) AUTHORIZED IN PRIOR YEAR	5,063,046 (265,000)	171,154	3,609,407 (9,700)	8,843,607 (9,700) (265,000)

FISCAL YEAR 1995 MILITARY CONSTRUCTION AND FAMILY HOUSING

STATE-COUNTRY	DEFENSEWIDE *** SUMMARY BY STATE - COUNTRY (\$ THOUSANDS)	DATA AS OF FEB 1994	
	ACTIVE FORCES	GUARD AND RESERVE	FAMILY HOUSING
			TOTAL
ALASKA	66,000		66,000
AUTHORIZED IN PRIOR YEAR	(66,000)		(66,000)
CALIFORNIA	18,780		18,780
DISTRICT OF COLUMBIA	600		600
FLORIDA	12,300		12,300
MARYLAND	32,978		32,978
NEW JERSEY	2,000		2,000
NEW MEXICO	9,600		9,600
NORTH CAROLINA	75,000		75,000
AUTHORIZED IN PRIOR YEAR	(75,000)		(75,000)
OHIO	2,200		2,200
VIRGINIA	128,252		128,252
AUTHORIZED IN PRIOR YEAR	(120,000)		(120,000)
CONUS CLASSIFIED	5,300		5,300
***INSIDE THE USA	353,010		353,010
AUTHORIZED IN PRIOR YEAR	(261,000)		(261,000)
BELGIUM			300
			300
**SPECIFIED OUTSIDE THE USA			300
			300
WORLDWIDE UNSPECIFIED	3,341,677	29,081	3,370,758
**UNSPECIFIED WORLDWIDE	3,341,677	29,081	3,370,758
***MILITARY CONSTRUCTION	3,694,687	29,381	3,724,068
AUTHORIZED IN PRIOR YEAR	(261,000)		(261,000)

FY 1994 MILITARY CONSTRUCTION TOTAL OBLIGATIONAL AUTHORITY AS REQUESTED

ACTIVE, GUARD AND RESERVE FORCES		DATA AS OF FEB 1994	
UNSPECIFIED WORLDWIDE			
(\$ THOUSANDS)			
STATE/COMP./INSTALLATION	PRGJ COST	TOTAL	
-----PROJECT NAME-----	-----	-----	
WORLDWIDE UNSPECIFIED			
NATO INFRASTRUCTURE			
DEFENSE LEVEL ACTIVITIES	148,417		
NATO INFRASTRUCTURE			148,417
BASE REALIGNMENT & CLOSURE PART I			
DEFENSE LEVEL ACTIVITIES	77,830		
BASE REALIGNMENT & CLOSURE PART I			77,830
BASE REALIGNMENT & CLOSURE PART II			
DEFENSE LEVEL ACTIVITIES	1,438,942		
BASE REALIGNMENT & CLOSURE PART II			1,438,942
BASE REALIGNMENT & CLOSURE PART III			
DEFENSE LEVEL ACTIVITIES	1,144,000		
BASE REALIGNMENT & CLOSURE PART III			1,144,000
CONTINGENCY CONSTRUCTION			
DEFENSE LEVEL ACTIVITIES	12,400		
CONTINGENCY CONSTRUCTION			12,400
GENERAL REDUCTION			
AIR FORCE RESERVE	-2,780		
GENERAL REDUCTION			-2,780
UNSPECIFIED MINOR CONSTRUCTION			
ARMY	12,000		
NAVY	5,500		
AIR FORCE	6,844		
ON-SITE INSPECTION AGENCY	812		
SPECIAL OPERATIONS COMMAND	4,922		
BALLISTIC MISSILE DEFENSE ORAGNIZATION	2,192		
DEFENSE LEVEL ACTIVITIES	2,000		
JOINT CHIEFS OF STAFF	5,975		
DOD DEPENDENT SCHOOLS	4,000		
DEFENSE MEDICAL SUPPORT ACTIVITY	1,757		
ARMY NATIONAL GUARD	5,000		
AIR NATIONAL GUARD	4,000		
ARMY RESERVE	2,100		
NAVY RESERVE	1,042		
AIR FORCE RESERVE	3,904		
UNSPECIFIED MINOR CONSTRUCTION			64,048
PLANNING AND DESIGN			
ARMY	84,441		
NAVY	64,373		
AIR FORCE	63,882		
SPECIAL OPERATIONS COMMAND	7,900		
BALLISTIC MISSILE DEFENSE ORAGNIZATION	535		
DEFENSE LEVEL ACTIVITIES	10,105		
DEFENSE MEDICAL SUPPORT ACTIVITY	25,865		
ARMY NATIONAL GUARD	10,271		
AIR NATIONAL GUARD	10,868		
ARMY RESERVE	7,004		
NAVY RESERVE	1,359		
AIR FORCE RESERVE	3,989		
PLANNING AND DESIGN			290,592
ENERGY CONSERVATION IMPROVEMENT PROGRAM			
DEFENSE LEVEL ACTIVITIES	50,000		
ENERGY CONSERVATION IMPROVEMENT PROGRAM			50,000
ARMY - HOST NATION SUPPORT			
ARMY	25,000		
ARMY - HOST NATION SUPPORT			25,000
WORLDWIDE UNSPECIFIED			3,248,449

FY 1994 MILITARY CONSTRUCTION TOTAL OBLIGATIONAL AUTHORITY AS REQUESTED

ACTIVE, GUARD AND RESERVE FORCES UNSPECIFIED WORLDWIDE (\$ THOUSANDS)		DATA AS OF FEB 1994	
STATE/COMP./INSTALLATION	PROJECT NAME	PROJ COST	TOTAL
WORLDWIDE VARIOUS			
LAND ACQUISITION			
NAVY		1,340	
LAND ACQUISITION			1,340
HOST NATION INFRASTRUCTURE SUPPORT			
NAVY		2,960	
HOST NATION INFRASTRUCTURE SUPPORT			2,960
ARMY NATIONAL GUARD		637	
INDOOR RANGE MODERNIZATION			637
ARMORY UNIT STORAGE BUILDINGS			
ARMY NATIONAL GUARD		750	
ARMORY UNIT STORAGE BUILDINGS			750
AIR NATIONAL GUARD		-5,740	
GENERAL REDUCTION			-5,740
WORLDWIDE VARIOUS			-53
TOTALS			

ARMY			147,203
NAVY			76,574
AIR FORCE			84,967
DEFENSEWIDE			2,939,652
UNSPECIFIED WORLDWIDE			3,248,396

FY 1995 MILITARY CONSTRUCTION TOTAL OBLIGATIONAL AUTHORITY AS REQUESTED

ACTIVE, GUARD AND RESERVE FORCES UNSPECIFIED WORLDWIDE (\$ THOUSANDS)		DATA AS OF FEB 1994	
STATE/COMP./INSTALLATION	PROJECT NAME	PROJ COST	TOTAL
WORLDWIDE UNSPECIFIED			
NATO INFRASTRUCTURE			
	DEFENSE LEVEL ACTIVITIES	229,000	
	NATO INFRASTRUCTURE		229,000
BASE REALIGNMENT & CLOSURE PART I			
	DEFENSE LEVEL ACTIVITIES	87,600	
	BASE REALIGNMENT & CLOSURE PART I		87,600
BASE REALIGNMENT & CLOSURE PART II			
	DEFENSE LEVEL ACTIVITIES	573,500	
	BASE REALIGNMENT & CLOSURE PART II		573,500
BASE REALIGNMENT & CLOSURE ACCT PART III			
	DEFENSE LEVEL ACTIVITIES	2,322,858	
	BASE REALIGNMENT & CLOSURE ACCT PART III		2,322,858
CONTINGENCY CONSTRUCTION			
	DEFENSE LEVEL ACTIVITIES	10,411	
	CONTINGENCY CONSTRUCTION		10,411
UNSPECIFIED MINOR CONSTRUCTION			
	ARMY	12,000	
	NAVY	7,000	
	AIR FORCE	7,000	
	SPECIAL OPERATIONS COMMAND	4,020	
	DEFENSE LEVEL ACTIVITIES	3,000	
	JOINT CHIEFS OF STAFF	5,873	
	DOD DEPENDENT SCHOOLS	4,430	
	DEFENSE MEDICAL SUPPORT ACTIVITY	5,025	
	ARMY NATIONAL GUARD	5,167	
	AIR NATIONAL GUARD	4,000	
	ARMY RESERVE	2,657	
	NAVY RESERVE	158	
	AIR FORCE RESERVE	4,018	
	UNSPECIFIED MINOR CONSTRUCTION		64,348
PLANNING AND DESIGN			
	ARMY	62,926	
	NAVY	43,380	
	AIR FORCE	49,386	
	SPECIAL OPERATIONS COMMAND	5,713	
	BALLISTIC MISSILE DEFENSE ORGANIZATION	530	
	DEFENSE LEVEL ACTIVITIES	12,360	
	DEF INTELLIGENCE AGENCY	450	
	DEFENSE MEDICAL SUPPORT ACTIVITY	26,907	
	ARMY NATIONAL GUARD	1,000	
	AIR NATIONAL GUARD	11,532	
	ARMY RESERVE	5,253	
	NAVY RESERVE	1,357	
	AIR FORCE RESERVE	3,172	
	PLANNING AND DESIGN		223,966
ENERGY CONSERVATION IMPROVEMENT PROGRAM			
	DEFENSE LEVEL ACTIVITIES	50,000	
	ENERGY CONSERVATION IMPROVEMENT PROGRAM		50,000
ARMY - HOST NATION SUPPORT			
	ARMY	25,000	
	ARMY - HOST NATION SUPPORT		25,000
WORLDWIDE UNSPECIFIED			3,586,683
WORLDWIDE VARIOUS			
ARMY NATIONAL GUARD			
VARIOUS LOCATIONS-WORLDWIDE VARIOUS			
	ARMORY UNIT STORAGE BUILDING	840	

FY 1995 MILITARY CONSTRUCTION TOTAL OBLIGATIONAL AUTHORITY AS REQUESTED

ACTIVE, GUARD AND RESERVE FORCES UNSPECIFIED WORLDWIDE (\$ THOUSANDS)		DATA AS OF FEB 1994
STATE/COMP./INSTALLATION	PROJECT NAME-----	PRQJ COST TOTAL
WORLDWIDE VARIOUS		
ARMY NATIONAL GUARD		
VARIOUS LOCATIONS-WORLDWIDE VARIOUS		
INDOOR RANGE MODERNIZATION		839
VARIOUS LOCATIONS-WORLDWIDE VARIOUS		1,679
WORLDWIDE VARIOUS		1,679
TOTALS		

ARMY		115,682
NAVY		51,895
AIR FORCE		79,108
DEFENSEWIDE		3,341,677
UNSPECIFIED WORLDWIDE		3,588,362

FY 1994 CONSTRUCTION ANNEX TOTAL OBLIGATIONAL AUTHORITY AS REQUESTED

SUMMARY BY FACILITY	TOTAL CONSTRUCTION ANNEX BY TYPE OF FACILITY (\$ THOUSANDS)			DATA AS OF FEB 1994	
	ARMY	NAVY	AIR FORCE	DEF. AGS.	TOTAL
OPERATIONAL FACILITIES AUTHORIZED IN PRIOR YEAR	47,312	113,850	296,474 (5,000)	56,700	514,336 (5,000)
TRAINING FACILITIES	338,895	60,518	87,940	4,800	492,153
MAINTENANCE & PRODUCTION FACILITIES	288,268	19,300	152,263	20,540	480,371
R&D FACILITIES	43,650	30,650	97,647	19,950	191,897
SUPPLY FACILITIES	29,372	31,130	41,856	35,190	137,548
HOSPITAL AND MEDICAL FACILITIES				205,810	205,810
ADMINISTRATIVE FACILITIES	25,041	6,610	58,663	5,200	95,514
TROOP HOUSING FACILITIES	288,200	132,250	135,700	20,000	576,150
COMMUNITY FACILITIES	42,501	29,770	52,860	41,000	166,131
UTILITY FACILITIES	45,930	60,980	137,624	34,755	279,289
REAL ESTATE	16,450	10,130	1,790		28,370
AIR POLLUTION ABATEMENT			3,330		3,330
WATER POLLUTION ABATEMENT		139,140	178,260		317,400
NOISE POLLUTION ABATEMENT			800		800
ENERGY CONSERVATION			4,850	50,000	54,850
UNSPECIFIED MINOR CONSTRUCTION	19,100	6,542	14,748	23,658	64,048
PLANNING & DESIGN	126,716	65,732	78,739	44,405	315,592
BASE REALIGNMENT & CLOSURE ACCT PART I				77,830	77,830
BASE REALIGNMENT & CLOSURE ACCT PART II				1,438,942	1,438,942
BASE REALIGNMENT & CLOSURE ACCT PART III				1,144,000	1,144,000
NATO INFRASTRUCTURE				148,417	148,417
FAMILY HOUSING CONSTRUCTION	228,885	370,208	187,035	159	786,287
FAMILY HOUSING DEBT	17	88	21		126
FAMILY HOUSING OPERATIONS	1,069,172	771,967	790,891	26,337	2,658,367
HOMEOWNERS ASSISTANCE	146,376				146,376
*** TOTAL ***	2,755,885	1,848,865	2,321,491 (5,000)	3,397,693	10,323,934 (5,000)
AUTHORIZED IN PRIOR YEAR					

FY 1994 CONSTRUCTION ANNEX TOTAL OBLIGATIONAL AUTHORITY AS REQUESTED

SUMMARY BY FACILITY	-----TOTAL MILCON----- BY TYPE OF FACILITY (\$ THOUSANDS)		AIR FORCE	DATA AS OF FEB 1994	
	ARMY	NAVY		DEF. AGS.	TOTAL
OPERATIONAL FACILITIES AUTHORIZED IN PRIOR YEAR	47,312	113,850	296,474 (5,000)	56,700	514,336 (5,000)
TRAINING FACILITIES	338,895	60,518	87,940	4,800	492,153
MAINTENANCE & PRODUCTION FACILITIES	288,268	19,300	152,263	20,540	480,371
R&D FACILITIES	43,650	30,650	97,647	19,950	191,897
SUPPLY FACILITIES	29,372	31,130	41,856	35,190	137,548
HOSPITAL AND MEDICAL FACILITIES				205,810	205,810
ADMINISTRATIVE FACILITIES	25,041	6,610	58,663	5,200	95,514
TROOP HOUSING FACILITIES	288,200	132,250	135,700	20,000	576,150
COMMUNITY FACILITIES	42,501	29,770	52,860	41,000	166,131
UTILITY FACILITIES	45,930	60,980	137,624	34,755	279,289
REAL ESTATE	16,450	10,130	1,790		28,370
AIR POLLUTION ABATEMENT			3,330		3,330
WATER POLLUTION ABATEMENT		139,140	178,260		317,400
NOISE POLLUTION ABATEMENT			800		800
ENERGY CONSERVATION			4,850	50,000	54,850
UNSPECIFIED MINOR CONSTRUCTION	19,100	6,542	14,748	23,658	64,048
PLANNING & DESIGN	126,716	65,732	78,739	44,405	315,592
BASE REALIGNMENT & CLOSURE ACCT PART I				77,830	77,830
BASE REALIGNMENT & CLOSURE ACCT PART II				1,438,942	1,438,942
BASE REALIGNMENT & CLOSURE ACCT PART III				1,144,000	1,144,000
NATO INFRASTRUCTURE				148,417	148,417
*** TOTAL *** AUTHORIZED IN PRIOR YEAR	1,311,435	706,602	1,343,544 (5,000)	3,371,197	6,732,778 (5,000)

FY 1994 CONSTRUCTION ANNEX TOTAL OBLIGATIONAL AUTHORITY AS REQUESTED

SUMMARY BY FACILITY	----ACTIVE FORCES----			DATA AS OF FEB 1994	
	BY TYPE OF FACILITY (\$ THOUSANDS)	NAVY	AIR FORCE	DEF. AGS.	TOTAL
OPERATIONAL FACILITIES AUTHORIZED IN PRIOR YEAR	47,312	113,850	236,536 (5,000)	56,700	454,398 (5,000)
TRAINING FACILITIES	53,992	44,310	19,917	4,800	123,019
MAINTENANCE & PRODUCTION FACILITIES	197,200	16,800	105,003	20,540	339,543
R&D FACILITIES	43,650	30,650	97,647	19,950	191,897
SUPPLY FACILITIES	26,350	29,230	25,416	35,190	116,186
HOSPITAL AND MEDICAL FACILITIES				205,810	205,810
ADMINISTRATIVE FACILITIES	23,650	4,590	58,663	5,200	92,103
TROOP HOUSING FACILITIES	288,200	132,250	112,880	20,000	553,330
COMMUNITY FACILITIES	42,501	29,770	44,100	41,000	157,371
UTILITY FACILITIES	45,930	60,980	121,624	34,755	263,289
REAL ESTATE	16,450	10,130	1,780		28,360
AIR POLLUTION ABATEMENT			1,830		1,830
WATER POLLUTION ABATEMENT		139,140	120,595		259,735
ENERGY CONSERVATION			4,850	50,000	54,850
UNSPECIFIED MINOR CONSTRUCTION	12,000	5,500	6,844	23,658	48,002
PLANNING & DESIGN	109,441	64,373	63,882	44,405	282,101
BASE REALIGNMENT & CLOSURE ACCT PART I				77,830	77,830
BASE REALIGNMENT & CLOSURE ACCT PART II				1,438,942	1,438,942
BASE REALIGNMENT & CLOSURE ACCT PART III				1,144,000	1,144,000
NATO INFRASTRUCTURE				148,417	148,417
*** TOTAL ***	906,676	681,573	1,021,567 (5,000)	3,371,197	5,981,013 (5,000)
AUTHORIZED IN PRIOR YEAR					

FY 1994 MILITARY CONSTRUCTION TOTAL OBLIGATIONAL AUTHORITY AS REQUESTED

INSTALLATION	ACTIVE GUARD AND RESERVE FORCES BY TYPE OF FACILITY (\$ THOUSANDS)	PROJECT	DATA AS OF FEB 1994	TOTAL

UNSPECIFIED MINOR CONSTRUCTION				
ARMY RESERVE				
ARMY RESERVE	WORLDWIDE UNSPECIFIED			2,100
NAVY RESERVE	WORLDWIDE UNSPECIFIED			1,042
AIR FORCE RESERVE	WORLDWIDE UNSPECIFIED			3,904

** UNSPECIFIED MINOR CONSTRUCTION				64,048
PLANNING & DESIGN				
ARMY	WORLDWIDE UNSPECIFIED			25,000
ARMY	WORLDWIDE UNSPECIFIED			84,441
NAVY	WORLDWIDE UNSPECIFIED			64,373
AIR FORCE	WORLDWIDE UNSPECIFIED			63,882
SPECIAL OPERATIONS COMMAND	WORLDWIDE UNSPECIFIED			7,900
BALLISTIC MISSILE DEFENSE ORGANIZATION	WORLDWIDE UNSPECIFIED			535
DEFENSE LEVEL ACTIVITIES	WORLDWIDE UNSPECIFIED			10,105
DEFENSE MEDICAL SUPPORT ACTIVITY	WORLDWIDE UNSPECIFIED			25,865
ARMY NATIONAL GUARD	WORLDWIDE UNSPECIFIED			10,271
AIR NATIONAL GUARD	WORLDWIDE UNSPECIFIED			10,868
ARMY RESERVE	WORLDWIDE UNSPECIFIED			7,004
NAVY RESERVE	WORLDWIDE UNSPECIFIED			1,359
AIR FORCE RESERVE	WORLDWIDE UNSPECIFIED			3,989

** PLANNING & DESIGN				315,592
BASE REALIGNMENT & CLOSURE ACCT PART I				
DEFENSE LEVEL ACTIVITIES				
BASE REALIGNMENT & CLOSURE ACCT PART I	WORLDWIDE UNSPECIFIED	BASE REALIGNMENT & CLOSURE PART I		77,830

**DEFENSE LEVEL ACTIVITIES				77,830
BASE REALIGNMENT & CLOSURE ACCT PART II				
DEFENSE LEVEL ACTIVITIES				
BASE REALIGNMENT & CLOSURE ACCT PART II	WORLDWIDE UNSPECIFIED	BASE REALIGNMENT & CLOSURE PART II		1,438,942

**DEFENSE LEVEL ACTIVITIES				1,438,942
BASE REALIGNMENT & CLOSURE ACCT PART III				
DEFENSE LEVEL ACTIVITIES				
BASE REALIGNMENT & CLOSURE ACCT PART III	WORLDWIDE UNSPECIFIED	BASE REALIGNMENT & CLOSURE PART III		1,144,000

**DEFENSE LEVEL ACTIVITIES				1,144,000
NATO INFRASTRUCTURE				
DEFENSE LEVEL ACTIVITIES				
OSO MILCON	WORLDWIDE UNSPECIFIED	NATO INFRASTRUCTURE		148,417

**DEFENSE LEVEL ACTIVITIES				148,417

FY 1994 MILITARY CONSTRUCTION TOTAL OBLIGATIONAL AUTHORITY AS REQUESTED

ACTIVE GUARD AND RESERVE FORCES BY TYPE OF FACILITY (\$ THOUSANDS)		DATA AS OF FEB 1994	
STATION	LOCATION	PROJECT	TOTAL
ITALS			
ARMY			1,311,435
NAVY			706,602
AIR FORCE			1,343,544
	AUTHORIZED FOR APPROP IN PRIOR YEAR		(5,000)
DEFENSE AGENCIES			3,371,197
*** TOTAL ***			6,732,778
	AUTHORIZED FOR APPROP IN PRIOR YEAR		(5,000)

FY 1995 CONSTRUCTION ANNEX TOTAL OBLIGATIONAL AUTHORITY AS REQUESTED

PRIMARY BY FACILITY	TOTAL CONSTRUCTION ANNEX BY TYPE OF FACILITY (\$ THOUSANDS)			DATA AS OF FEB 1994	
	ARMY	NAVY	AIR FORCE	DEF. AGS.	TOTAL
OPERATIONAL FACILITIES	23,050	45,450	74,655	38,420	181,575
TRAINING FACILITIES	3,762	14,700	10,900	14,400	43,762
MAINTENANCE & PRODUCTION FACILITIES	297,250	10,700	45,869	3,652	357,471
R&D FACILITIES	6,600	1,390	24,550		32,540
SUPPLY FACILITIES	10,350		4,150		14,500
HOSPITAL AND MEDICAL FACILITIES AUTHORIZED IN PRIOR YEAR				273,280 (261,000)	273,280 (261,000)
ADMINISTRATIVE FACILITIES			10,100	5,100	15,200
TROOP HOUSING FACILITIES	228,300	70,470	87,275		386,045
COMMUNITY FACILITIES		36,230	5,823	6,800	48,853
UTILITY FACILITIES AUTHORIZED IN PRIOR YEAR	25,100	7,800	33,125 (4,000)	21,769	87,794 (4,000)
REAL ESTATE		7,840			7,840
AIR POLLUTION ABATEMENT			4,550		4,550
WATER POLLUTION ABATEMENT		76,350	128,168		204,518
ENERGY CONSERVATION				50,000	50,000
UNSPECIFIED MINOR CONSTRUCTION	19,824	7,158	15,018	22,348	64,348
PLANNING & DESIGN	94,179	44,737	64,090	45,960	248,966
BASE REALIGNMENT & CLOSURE ACCT PART I				87,600	87,600
BASE REALIGNMENT & CLOSURE ACCT PART II				573,500	573,500
BASE REALIGNMENT & CLOSURE ACCT PART III				2,322,858	2,322,858
NATO INFRASTRUCTURE				229,000	229,000
FAMILY HOUSING CONSTRUCTION (MEMO-NON-ADO)	152,402 (9,700)	229,295	252,993	350	635,040 (9,700)
FAMILY HOUSING DEBT	11	85	26		122
FAMILY HOUSING OPERATIONS	1,121,197	853,514	801,319	29,031	2,805,061
HOMEOWNERS ASSISTANCE	169,184				169,184
*** TOTAL *** (MEMO-NON-ADO) AUTHORIZED IN PRIOR YEAR	2,151,209 (9,700)	1,405,719	1,562,611 (4,000)	3,724,068 (261,000)	8,843,607 (9,700) (265,000)

FY 1995 CONSTRUCTION ANNEX TOTAL OBLIGATIONAL AUTHORITY AS REQUESTED

SUMMARY BY FACILITY	-----TOTAL MILCON----- BY TYPE OF FACILITY (\$ THOUSANDS)			DATA AS OF FEB 1994	
	ARMY	NAVY	AIR FORCE	DEF. AGS.	TOTAL
OPERATIONAL FACILITIES	23,050	45,450	74,655	38,420	181,575
TRAINING FACILITIES	3,762	14,700	10,900	14,400	43,762
MAINTENANCE & PRODUCTION FACILITIES	297,250	10,700	45,869	3,652	357,471
R&D FACILITIES	6,600	1,390	24,550		32,540
SUPPLY FACILITIES	10,350		4,150		14,500
HOSPITAL AND MEDICAL FACILITIES AUTHORIZED IN PRIOR YEAR				273,280 (261,000)	273,280 (261,000)
ADMINISTRATIVE FACILITIES			10,100	5,100	15,200
TROOP HOUSING FACILITIES	228,300	70,470	87,275		386,045
COMMUNITY FACILITIES		36,230	5,823	6,800	48,853
UTILITY FACILITIES AUTHORIZED IN PRIOR YEAR	25,100	7,800	33,125 (4,000)	21,769	87,794 (4,000)
REAL ESTATE		7,840			7,840
AIR POLLUTION ABATEMENT			4,550		4,550
WATER POLLUTION ABATEMENT		76,350	128,168		204,518
ENERGY CONSERVATION				50,000	50,000
UNSPECIFIED MINOR CONSTRUCTION	19,824	7,158	15,018	22,348	64,348
PLANNING & DESIGN	94,179	44,737	64,090	45,960	248,966
BASE REALIGNMENT & CLOSURE ACCT PART I				87,600	87,600
BASE REALIGNMENT & CLOSURE ACCT PART II				573,500	573,500
BASE REALIGNMENT & CLOSURE ACCT PART III				2,322,858	2,322,858
NATO INFRASTRUCTURE				229,000	229,000
*** TOTAL ***	708,415	322,825	508,273 (4,000)	3,694,687 (261,000)	5,234,200 (265,000)
AUTHORIZED IN PRIOR YEAR					

FY 1995 CONSTRUCTION ANNEX TOTAL OBLIGATIONAL AUTHORITY AS REQUESTED

SUMMARY BY FACILITY	----ACTIVE FORCES---- BY TYPE OF FACILITY (\$ THOUSANDS)			DATA AS OF FEB 1994	
	ARMY	NAVY	AIR FORCE	DEF. AGS.	TOTAL
OPERATIONAL FACILITIES	23,050	44,610	16,241	38,420	122,321
TRAINING FACILITIES		14,700	6,900	14,400	36,000
MAINTENANCE & PRODUCTION FACILITIES	297,250	10,700	25,550	3,652	337,152
R&D FACILITIES	6,600	1,390	24,550		32,540
SUPPLY FACILITIES	10,350		4,150		14,500
HOSPITAL AND MEDICAL FACILITIES AUTHORIZED IN PRIOR YEAR				273,280 (261,000)	273,280 (261,000)
ADMINISTRATIVE FACILITIES			10,100	5,100	15,200
TROOP HOUSING FACILITIES	228,300	70,470	87,275		386,045
COMMUNITY FACILITIES		36,230	2,273	6,800	45,303
UTILITY FACILITIES AUTHORIZED IN PRIOR YEAR	25,100	7,800	18,615 (4,000)	21,769	73,284 (4,000)
REAL ESTATE		7,840			7,840
AIR POLLUTION ABATEMENT			4,550		4,550
WATER POLLUTION ABATEMENT		76,350	100,723		177,073
ENERGY CONSERVATION				50,000	50,000
UNSPECIFIED MINOR CONSTRUCTION	12,000	7,000	7,000	22,348	48,348
PLANNING & DESIGN	87,926	43,380	49,386	45,960	226,652
BASE REALIGNMENT & CLOSURE ACCT PART I				87,600	87,600
BASE REALIGNMENT & CLOSURE ACCT PART II				573,500	573,500
BASE REALIGNMENT & CLOSURE ACCT PART III				2,322,858	2,322,858
NATO INFRASTRUCTURE				229,000	229,000
*** TOTAL ***	690,576	320,470	357,313 (4,000)	3,694,687 (261,000)	5,063,046 (265,000)
AUTHORIZED IN PRIOR YEAR					

FY 1995 MILITARY CONSTRUCTION TOTAL OBLIGATIONAL AUTHORITY AS REQUESTED

INSTALLATION	ACTIVE GUARD AND RESERVE FORCES BY TYPE OF FACILITY (\$ THOUSANDS)		PROJECT	DATA AS OF FEB 1994	TOTAL
	LOCATION				
ENERGY CONSERVATION					
DEFENSE LEVEL ACTIVITIES					
UNSPECIFIED WORLDWIDE LOCATIONS	WORLDWIDE	UNSPECIFIED	ENERGY CONSERVATION IMPROVEMENT PROGRAM		50,000
**DEFENSE LEVEL ACTIVITIES					50,000
UNSPECIFIED MINOR CONSTRUCTION					
ARMY	WORLDWIDE	UNSPECIFIED			12,000
NAVY	WORLDWIDE	UNSPECIFIED			7,000
AIR FORCE	WORLDWIDE	UNSPECIFIED			7,000
SPECIAL OPERATIONS COMMAND	WORLDWIDE	UNSPECIFIED			4,020
DEFENSE LEVEL ACTIVITIES	WORLDWIDE	UNSPECIFIED			3,000
JOINT CHIEFS OF STAFF	WORLDWIDE	UNSPECIFIED			5,873
DOD DEPENDENT SCHOOLS	WORLDWIDE	UNSPECIFIED			4,430
DEFENSE MEDICAL SUPPORT ACTIVITY	WORLDWIDE	UNSPECIFIED			5,025
ARMY NATIONAL GUARD	WORLDWIDE	UNSPECIFIED			5,167
AIR NATIONAL GUARD	WORLDWIDE	UNSPECIFIED			4,000
ARMY RESERVE	WORLDWIDE	UNSPECIFIED			2,657
NAVY RESERVE	WORLDWIDE	UNSPECIFIED			158
AIR FORCE RESERVE	WORLDWIDE	UNSPECIFIED			4,018
** UNSPECIFIED MINOR CONSTRUCTION					64,348
PLANNING & DESIGN					
ARMY	WORLDWIDE	UNSPECIFIED			25,000
ARMY	WORLDWIDE	UNSPECIFIED			62,926
NAVY	WORLDWIDE	UNSPECIFIED			43,380
AIR FORCE	WORLDWIDE	UNSPECIFIED			49,386
SPECIAL OPERATIONS COMMAND	WORLDWIDE	UNSPECIFIED			5,713
BALLISTIC MISSILE DEFENSE ORGANIZATION	WORLDWIDE	UNSPECIFIED			530
DEFENSE LEVEL ACTIVITIES	WORLDWIDE	UNSPECIFIED			12,360
DEF INTELLIGENCE AGENCY	WORLDWIDE	UNSPECIFIED			450
DEFENSE MEDICAL SUPPORT ACTIVITY	WORLDWIDE	UNSPECIFIED			26,907
ARMY NATIONAL GUARD	WORLDWIDE	UNSPECIFIED			1,000
AIR NATIONAL GUARD	WORLDWIDE	UNSPECIFIED			11,532
ARMY RESERVE	WORLDWIDE	UNSPECIFIED			5,253
NAVY RESERVE	WORLDWIDE	UNSPECIFIED			1,357
AIR FORCE RESERVE	WORLDWIDE	UNSPECIFIED			3,172
** PLANNING & DESIGN					248,966
BASE REALIGNMENT & CLOSURE ACCT PART I					
DEFENSE LEVEL ACTIVITIES					
BASE REALIGNMENT & CLOSURE ACCT PART I	WORLDWIDE	UNSPECIFIED	BASE REALIGNMENT & CLOSURE PART I		87,600
**DEFENSE LEVEL ACTIVITIES					87,600
BASE REALIGNMENT & CLOSURE ACCT PART II					
DEFENSE LEVEL ACTIVITIES					
BASE REALIGNMENT & CLOSURE ACCT PART II	WORLDWIDE	UNSPECIFIED	BASE REALIGNMENT & CLOSURE PART II		573,500
**DEFENSE LEVEL ACTIVITIES					573,500
BASE REALIGNMENT & CLOSURE ACCT PART III					
DEFENSE LEVEL ACTIVITIES					
BASE REALIGNMENT & CLOSURE ACCT PART III	WORLDWIDE	UNSPECIFIED	BASE REALIGNMENT & CLOSURE ACCT PART III		2,322,858
**DEFENSE LEVEL ACTIVITIES					2,322,858

FY 1995 MILITARY CONSTRUCTION TOTAL OBLIGATIONAL AUTHORITY AS REQUESTED

ACTIVE GUARD AND RESERVE FORCES BY TYPE OF FACILITY (\$ THOUSANDS)			DATA AS OF FEB 1994	TOTAL
INSTALLATION	LOCATION	PROJECT		
NATO INFRASTRUCTURE				
DEFENSE LEVEL ACTIVITIES				
OSO MILCON	WORLDWIDE UNSPECIFIED	NATO INFRASTRUCTURE		229,000
**DEFENSE LEVEL ACTIVITIES				229,000
TOTALS				
ARMY				708,415
NAVY				322,825
AIR FORCE				508,273
AUTHORIZED FOR APPROP IN PRIOR YEAR				(4,000)
DEFENSE AGENCIES				3,694,687
AUTHORIZED FOR APPROP IN PRIOR YEAR				(261,000)
*** TOTAL ***				5,234,200
AUTHORIZED FOR APPROP IN PRIOR YEAR				(265,000)

[CLERK's NOTE.—On the day this volume was printed, May 13, 1994, the Department of Defense had not yet responded to the Committee's request for editing the transcript of the Pacific Region hearing held March 22, 1994.]

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